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Media and communication considerations to influence the buying decisions of farmers

Abstract

The agricultural market is an extremely large and extremely important segment of our economy. Agriculture, and the support services provided to agriculture, account for a \$1.2 trillion market. This figure is roughly equal to ALL the assets of the Fortune 500 companies combined (Wefald, 1982). Because of the size of this market, it is important, as marketers, to understand the farmer, his media habits and his buying habits. It is important to know what factors carry the most weight when the farmer's decision making process gets underway. It is essential to know how to reach the farmer in each of the stages in his decision making process so that marketers can present product information and help influence the buying decision.

MEDIA AND COMMUNICATION CONSIDERATIONS TO INFLUENCE THE BUYING DECISIONS OF FARMERS

A Research Paper
Submitted
In Partial Fulfillment
of the Requirements for the Degree
Master of Arts

Joel C. Geske
University of Northern Iowa
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This Research Paper by: Joel C. Geske

Entitled: MEDIA AND COMMUNICATION CONSIDERATIONS TO INFLUENCE THE BUYING

DECISIONS OF FARMERS

has been approved as meeting the research paper requirement for the Degree of Master of Arts in Communications Media

TABLE OF CONTENTS

CHAPTER		PAGE
I.	INTRODUCTION	1
II.	METHODOLOGY	2
III.	RESULTS	3
	The Decision Process Model	3
	Problem Recognition and Awareness	4
	Farm Publications	6
	Color	7
	Size	7
	Other Positive Considerations	8
	Techniques Not Increasing Readership	8
	Television	9
	Farm Shows	9
	Information Gathering	10
	Dealers	13
	Farm Publications	15
	Newsletters	16
	Television	17
	Radio	18
	Personal Sources	19
	Demonstrations	19

Salesmen 2	23
Trustworthiness	24
Evaluation 2	25
Trial/Purchase Decision	28
Post Purchase Evaluation	30
IV. SUMMARY 3	31
DEFEDENCES	22

FIGURES AND TABLES

	PAGE
Figure 1.	Decision Process Model
Figure 2.	Problem Recognition Model
Table i.	How Farmers Keep Informed
Table 2.	Reasons For Attending Shows
Table 3.	How Farmers Keep Informed
Table 4.	Information Sources
Table 5.	Attributes of Dealers
Table 6.	Influential National Advertising
Table 7.	Influential Local Advertising 20
Table 8.	Shows and Exhibits
Table 9.	Ratings of Salespeople
Table 10.	Buying Considerations For
	Major Equipment Purchases

CHAPTER 1

Introduction and Methodology

The agricultural market is an extremely large and extremely important segment of our economy. Agriculture, and the support services provided to agriculture, account for a \$1.2 trillion market. This figure is roughly equal to ALL the assets of the Fortune 500 companies combined (Wefald, 1982).

Because of the size of this market, it is important, as marketers, to understand the farmer, his media habits and his buying habits. It is important to know what factors carry the most weight when the farmer's decision making process gets underway. It is essential to know how to reach the farmer in each of the stages in his decision making process so that marketers can present product information and help influence the buying decision.

This study will bring together much of the information and research that has been generated about the buying and media decisions of farmers. Specific media will be explored at each stage and ways to improve communications with farmers will be highlighted. Throughout the paper, the attitudes of farmers will be important. Rather than aim our marketing at what the marketing person thinks the farmer should get for information, this study will explore what FARMERS consider important in making a buying decision.

Five areas are important in the decision making and purchase decision process that farmers follow when considering a buy. These include:

Problem recognition.

Search for information about the problem or product.

Evaluation of the information.

A trial/purchase decision.

Post purchase evaluation.

This study will explore all five areas and present information and guidelines that will help marketers understand the information sources most important to farmers as well as offer information that will help marketers influence farmers in making buying decisions.

CHAPTER 3

Results

The Decision Process Model

The adoption of a new idea or new practice is a mental process through which an individual passes from first hearing about a product or idea until he finally incorporates the idea into his operation. Research done at Iowa State University divides the process into five stages ("A New Look", 1982):

- 1. Awareness. The individual knows of the idea but lacks information.
- Information. The individual becomes interested in the idea and seeks more information about it.
- **3. Evaluation.** The individual mentally applies the new idea to his own situation and decides whether to try it.
- 4. Trial. The individual uses the new practice to validate its workability (trial occurs on a limited basis if possible).
- 5. Adoption. The individual uses the new practice on a full scale and incorporates it into his farming methods.

Another study, based on Ontario corn growers, also resulted in the development of a similar model as shown in Figure 1 (Funk & Vincent, 1978).

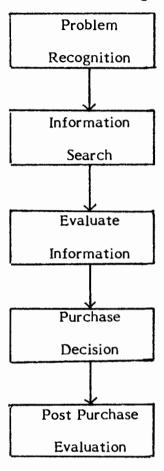


Figure 1. Decision Process Model.

For the purposes of this study I will incorporate both studies as they are very similar in nature.

Problem Recognition & Awareness

First, it is important to find where farmers DO turn for new product information and to find out what is new in farming practices. This is extremely important, because until a farmer is faced with a problem with his present product or method OR until he is faced with an alternative that appears to be a better alternative, it will be very difficult to get him to switch to a different product. Normally, the farmer realizes he has a problem when the actual level

of product performance does not meet the desired level that the farmer anticipated as shown in Figure 2 (Funk and Tarte, No Date).

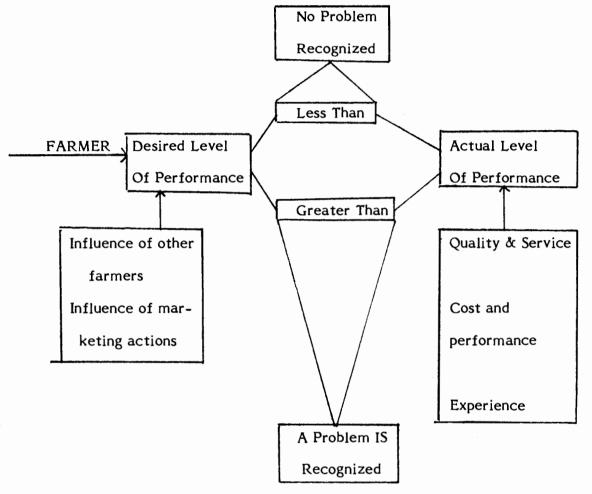


Figure 2. Problem Recognition Model.

This model has many implications for the agri-marketing professional. Farmers are going to compare the desired or anticipated level of performance of the product with the actual level of performance that they perceive. As marketers, we must help them determine that they have a problem with their present product (through the influence of marketing actions). Until they have determined that they have a problem with their present product, they will not actively search out alternatives, although they may investigate information if it is presented to them.

At this awareness stage, mass media sources are important and represent the most frequently used sources of information. These include farm magazines, newspapers, radio andtelevision ("A New Look", 1982). In one survey studying the adoption of reduced tillage, forty percent of the farmers listed mass media as the source they first heard about the practice. One-third listed friends and neighbors and government agencies were listed only by 12% with commercial dealers only accounting for 5% ("A New Look", 1982). Another study, done at Iowa State University, had similar findings on how farmers keep informed, as shown in Table 1 ("How Farmers", 1977).

Table 1.

How Farmers Keep Informed

Information Source	% Listing as
	important source
Farm Publications	65%
Friends, Neighbors, Relatives	50%
County Agents	37%
Sales Literature	26%
Radio	18%
Newspaper	9%
Television	4%

Farm publications

By far, the most important mass media source is the farm publication.

This is where farmers turn most often to keep informed and therefore offers the best chance for marketers to reach him with information in the awareness

stage. Attracting readership is where the whole product adoption process starts. If the ads aren't being read then the whole process stops before it really has a chance to begin. One study of advertising in farm publications offers a number of ways to make the ads effective to draw maximum awareness and readership.

As explained by Mark Stuhlfaut, Media Director for Miller Meester Advertising in Minneapolis, "The top job of attracting readership is more than a creative task. An arresting headline and captivating photo aren't enough to achieve high scores. They need to be used in conjunction with certain key media techniques to amplify their impact" (Stuhlfaut, 1983). Studies from agricultural and industrial magazines point to severalimportant techniques that will dramatically increase readership:

Color. Of the main factors, color affects the readership the most. Summaries of Harvest Unit's readership studies in agriculture record a 38% increase in readership when four-color is measured against black and white in full page formats. Compared to the surcharge of about 30% of the page rate, the 38% readership gain outweighs the cost (Stuhlfaut, 1983). Even two-color (black plus one other color) show an improvement over black and white. Starch readership studies of 5 farm publications reported a 20% improvement with two-color at an additional cost of only 10.6% of the full page rate (Stuhlfaut, 1983).

<u>Size.</u> Size is the next biggest factor in gaining ad readership. Farm Journal studies of readership from 1978 to 1982 showed that two-page spreads accounted for only 32% of all the ads run but accounted for 51% of the top scoring ads in readership (Stuhlfaut, 1983). An analysis of Successful Farming's readership studies form 1969 to 1980 also shows the impact of size on

readership. Four-color page ads scored24% better than the average fractional ad while color spreads scored an additional 7% improvement over single pages. The real benefit, however, shows up in the "most read" category. Four-color pages scored 36% better than fractional page ads and four-color spreads scored an additional 23% better than four-color pages (Stuhlfaut, 1983). Obviously, if you want to gain attention and awareness for your product, you must give it the size and format that emphasizes it's importance.

Other positive considerations. There are also a number of other techniques that help to improve readership, although not as effectively as size and color. Bleed ads command a 17% increase in readership over non-bleed ads. These ads are 23% larger, using the full trim size of the page (about 86 square inches for a bleed ad vs. 70 square inches for a 7" X 10" format) (Stuhlfaut, 1983). Inserts showed a 34% increase in readership when compared with R.O.P. pages according to the Harvest Unit study. They are successful because they bring almost every other media technique into play—color, size, bleed, multiple pages and they add the extra impact of heavier and stiffer paper stock (Stuhlfaut, 1983).

Techniques not increasing readership. Generally, all studies indicate that placement inside the publication has little effect on readership. No differences are noted between front and back or left or right hand pages. (Cover positions, however, DO increase scores up to 31%) (Stuhlfaut, 1983). Ads containing coupons also show no readership advantage and one study shows a 3% decline in readership for ads with coupons (Stuhlfaut, 1983). The later study, however, could be influenced by the fact that the highest readership scores are dominated by products such as tractors and chemicals that all farmers would use and these products very seldom carry coupons.

Farm Journal, at the end of their readership report, concluded that using effective media techniques paid off for their sponsors with a 12% greater recall, 57% greater "read some" score and a 85% greater "read all" score. The real return on investment in using these ad techniques is truly improved readership (Stuhlfaut, 1983).

Television

Another important source for awareness is television. Television is a medium that can help to spur interest in the farmer as well as help get the dealers excited about the coming season. "Television," according to Roger Gaylord, Media Director for the Ag Division of Bozell & Jacobs Advertising in Omaha, "can quickly and cost effectively create an awareness of the product and the company in the prospect's mind." To maximize influence, however, most effective campaigns include print materials to emphasize and support the television ("T.V. Isn't Just", 1981).

Farm Shows

Farm shows are also a very important source for farmers to be exposed to new ideas in the awareness stage. Searching out new ideas is the major reasons given by farmers for attending the shows as seen from Table 2 ("Farmers Rank Their Reasons", 1980).

Table 2.

Reasons For Attending Shows

REASON	_1	_2	_3
Get more information	26.7%	26.7%	17.8%
To learn new methods	27.4%	18.8%	18.5%
To meet people	1.0%	0.7%	3.6%
Enjoy Entertainment	1.7%	3.0%	3.6%
Take a day or two off	2.6%	2.6%	4.0%
See new products	28.0%	20.1%	22.1%
Check competetive prices	0.7%	5.6%	7.3%
Other	0.7%	0.0%	0.0%
NOTE: (Does not total 100% o	lue to multiple	responses and	no answer
responses).			

Obviously, in all cases the farmers attended shows to learn more about new products and new farming techniques. This is an effective and important part of the adoption process.

Information Gathering

After the awareness stage, the farmer moves into the information gathering stage of the adoption process. By taking a close look at where farmers go to find information, it is possible to tailor an information program that will meet the needs of the farmer in his information search. Several different studies have been done on where farmers go for information. All produced similar results although not all studies considered the information

sources. All three studies will be presented and then the major information sources will be explored in more depth.

In a study conducted at Iowa State University, the following results (Table 3) were obtained on how farmers keep informed ("How Farmers", 1977).

Table 3.

How Farmers Keep Informed

SOURCE	PERCENT
Farm Publications	65%
Neighbors	50%
County Agents	37%
Sales Literature	26%
Radio	18%
Newspaper	9%
Television	4%

A second study concentrated on information sources farmers used when shopping for a new herbicide (Funk & Vincent, 1978).

Table 4.
Information Sources

SOURCE YES NO
Contact Dealers 70% 30%
Contact Other Farmers 62% 38%
Attend Farmer Meetings 55% 45%
Consult Custom Operators 23% 77%
Extension Office 19% 81%
Salesmen 15% 85%
Test Plots 13% 87%

Finally, in a survey conducted by the National Agri-Marketing
Association (NAMA), farmers said they did the following when looking for new
equipment ("Tractor Purchases", 1976):

78% visited dealers who handled the product

46.7% read ads concerning the product

43.3% asked neighbors and friends for opinions

19.3% visited demonstrations

17.3% sent for information regarding the product

Although no clear cut survey exists to incorporate all sources of information, it is very clear from the three surveys cited that there are a number of important information sources that farmers consult before making a purchase decision. Many sources are controllable by the marketer while a few, such as the opinions of friends and neighbors are not directly controllable but could possibly be influenced with the right type of program.

Dealers

Two studies cited dealers as being very important sources of information. In the NAMA tractor survey ("Tractor Purchases", 1976), more than half the farmers questioned said they had considered more than one brand of tractor. In addition, they visited more than one dealer in shopping for and equipment purchase, although few visited more than 4 dealers. The majority of farmers said they weren't "married" to any one brand but instead bought from a "local dealer who treats me right and gives good service" ("Tractor Purchases", 1976). So what was the major factor for buying? Over 49% said the reputation of the dealer for fair dealing and service was the deciding factor in their purchase, while 34% said that they were loyal to a certain brand as a deciding factor with 16.6% saying price was the deciding factor ("Salesmen", 1976). However, when farmers were asked what dealers TALKED about most they claimed dealers talk most about brand and the differences between various brands. Dealers spent less time talking about price and the least time of all talking about the reputation of the dealership ("Salesmen", 1976). This information would suggest that there is an opportunity for marketers to help their dealers with sales programs that would help stress the dealer reputation and service aspects more than brand differences-in short, to sell the dealership and not the product.

Other factors (Table 5) about local dealers also came into play and helped to influence the buying decision ("Salesmen", 1976).

<u>Table 5.</u>
Attributes of Dealers

REASON	LISTED AS IMPORTANT
Values my time	15.2%
Sells with confidence and knowledge	14.4%
Understands farm problems	14.1%
General reputation	13.7%
Fills needs (sells benefits)	12.8%
Makes regular sales/service calls	12.4%
Cordial & polite	11.4%

No matter how you look at it, the dealer is the lifeblood of many companies in the ag field. "Isn't it kind of interesting that all of us (seed corn companies) have one common type of marketing?" notes Irv Parker of Moews Seed, Granville, Illinois. "Our dealers network is composed of farmers. It has never worked any other way, period" ("Farmers Selling", 1982). States Doug Robinson of ROB-SEE-CO, Waterloo, Nebraska, "In the eyes of his friends and neighbors and the people he calls on, the dealer IS your company. He's the only part they see beyond your advertising. The way he presents himself, his farming, and his general reputation, reflects your company" ("Farmers Selling", 1982).

It is obvious that the dealer is an important final link to the farmer and is an important information source. However, most companies will benefit most by concentrating on product information rather than sales training. Some companies have found sales training to be very short-lived in it's

effectiveness. It may be more effective to pass on as much product information as possible ("Farmers Selling", 1982) and encourage the dealer to hit the areas the farmer is most interested in-service and reputation.

Farm publications

As was shown earlier, farm publications and advertising plays an important role in the awareness stage. It is also very important in the information gathering process as the farmer moves through the adoption proce s. We have already explored ways to make magazine advertising more noticed and read by farmers. Now it is time to look at advertising in different media and see how influential it is forfarmers. On the national level, the most influential advertising according to farmers is that in farm publications as shown in Table 6 ("Salesmen", 1976).

<u>Table 6.</u>
<u>Influential National Advertising</u>

SOURCE	% Citing	
Farm magazines	85.3%	
Literature by mail	10.6%	
Television	2.3%	
Radio	.9%	
Newspaper	.9%	

On the local level (dealer advertising), two methods of advertising have the most influence on farmers as shown in Table 7 ("Salesmen", 1976).

<u>Table 7.</u>
Influential Local Advertising

SOURCE	% Citing	
Dealer newsletter	53.7%	
Newspaper	41.3%	
Radio	3.0%	
Television	2.0%	
		

Newsletters

Newsletters are high on the list for influential communication. With three times as many newsletters as daily newspapers in the U.S., the newsletter has become a major medium that's fast, flexible, informal and inexpensive. In agriculture, newsletters are being used to develope new markets, expand existing markets and even make sales calls ("Newsletters", 1980). Since the farmer today may get dozens of newsletters it very important that the format distinguishes the newsletter from all the others. With so many newsletters competing for attention, the key to an effective newsletter is simplicity in design ("Newsletter", 1980). The first impression is very important and may be the only chance for grabbing the reader before he passes it up. It's best to use a descriptive or subject title to position the publication and separate it from the crowd. Once it has attention, it is necessary to maintain interest through easy reading and interesting copy. No amount of glamorous layout will overcome dull copy. Newsletters that are short and to the point have the most basic reader appeal ("Newsletters", 1980). In addition, most newsletters are very inexpensive to produce and range from 2¢ to 67¢ per copy. With an average cost of just 7¢ per copy, newsletters qualify as a very inexpensive

medium ("Newsletters", 1980). As a source of information that ranked very high for farmer information, the newsletter just may be the biggest bargain in the ag communication field.

Television

Even though television ranks fairly low in influencing farmers, television is growing in use by some agricultural marketers. Some marketers contend that T.V. is a waste of money to reach farmers since such a small percentage of the T.V. audience are farmers. But most farm area T.V. stations would have as many prospects for farm products in the audience as they would for many consumer product, such as chewing gum

(especially on a dollar basis). Television might be a good buy IF the product justifies it. Television has some things that no other media can match, ("Is There", 1976) like:

Visualization and color you can't get from radio

Motion and action you don't get from magazines

Fast, wide reach that's not available with other media

Frequency that allows you to hit a peak season or special

areas heavier than others.

For an older, well understood product, television may not be worth the cost. However, for a promotion that needs extra excitement, attention and involvement, television may be the CHEAPEST way to get the message across ("Is There", 1976). Plus you don't have to be one of ag's biggest advertisers to use television effectively. One smaller company concentrated their television in their most important ADI's and ran for only six weeks. The campaign generated a lot of excitement not only for the customers, but for the dealers as well and created a strong "pull-through" effect ("Farmers Take", 1981). The

best time to advertise is still the late evening news--specifically the weather report--which is watched by almost 78% of all farmers ("Farmers Take", 1981). This may be the only T.V. buy to effectively reach farmers as farmers are watching less T.V. A survey conducted in 1981 showed that over 50% of the farmers were watching less T.V. and a majority of the farmers watched only three to five programs weekly and 22% watched only one or two.

Most farmers, however, claimed that it "made them feel good to see farm advertising on T.V." although some farmers feel that too much T.V. advertising increased the cost of products ("Farmers Take", 1981). The most important guideline for marketers to follow is to treat the farmer intelligently in T.V. advertising. As one farmer stated "T.V. advertising portrays the farmer as a moron. The actors they hired couldn't walk and talk at the same time...and evidently all us farmers like country-western music" ("Farmers Take", 1981).

Radio

Radio as a source of information, like television, did not show up as important. However, radios have become increasingly popular on the farm and that statistic may be soon to change. There are nearly 8 million trucks, tractors and combines on American farms and an overwhelming number of them are equipped with radios. Over 48% of the farmers listened to morning farm news on the radio, while 59% listened to the noontime news slot ("Farmers Are Turning", 1980). Major tractor manufacturers are recognizing this trend and are seeing about a 75% installation rate for tractors and combines. As one dealer put it "Farmers like to listen to FM music just as you and I do. AM/FM stereo units are installed in nearly every tractor we sell"

("Farmers Are Turning", 1980). A recent study conducted by the University of Wisconsin-Madison showed that young farmers listen to radio an average of 3.4 hours a day (Farmers Are Turning, 1980). By the end of a working day, it's probable that farmers are more up-to-date on the events of the day than the person who sits behind a desk for eight hours ("Farmers Are Turning", 1980). If more rural radio stations and potential advertisers were aware of the amount of time a farmer spends on a tractor, radio would likely become a more important medium in the overall media mix.

Personal sources

Friends and neighbors were also mentioned frequently as a source of information. This is a very difficult area for marketers to influence in the adoption process. However, marketers can make attempts to get prospective customers in touch with satisfied customers that live in their area. Dealers might also consider using local testimonials in the local newspaper advertising to take advantage of this marketing opportunity. Although personal sources were important, most farmers did not consider them to be as up-to-date as many other sources of information ("Farmers & Sons", 1980).

Demonstrations

Demonstrations also proved to be effective for influencing farmers' purchasing decisions, and farm shows are the most popular type of demonstration. Farm show customers come with a purpose in mind— to compare various brand and models that they can't find in the dealer showrooms. Because of this, they are very in tune with buying ("Farm Shows", 1976). General ag shows (such as The Farm Progress Show or Sunbelt Ag Expo) are the most popular with farmers with 70.3% preferring them. One subject shows are only

the choice of 5.6% of the farmers with 18.2% saying it really doesn't matter ("Farmers Rank Their", 1980). Once at the show, certain feature and exhibits will attract the majority of the prospects as shown in Table 8 ("Why & How", 1983).

<u>Table 8.</u>
Shows and Exhibits

Q. What features of the show are of greatest interest to you? (Check one or more.)

FEATURES	% CITING
Exhibit Area	62.2%
Field Demonstrations	55.1%
Seed Plots	29.0%
Chemical Plots	18.0%
Farmstead Area	11.3%
Home Show	6.0%
Other	4.6%

Q. In the exhibit area, what type of exhibits are of most interest to you?

AREAS OF INTEREST	% CITING
Field Equipment	72.1%
Livestock Equipment	36.7%
Seed	28.3%
Buildings	26.1%
Grain Storage	26.1%
Crop Chemicals	25.1%
Feed Handling & Storage	14.5%
Feed or Animal Health	13.1%
Other	2.5%

Of a sampling of nearly 300 farmers interviewed at the Farm Progress Show, 13.1% went to look for a particular product that they were interested in purchasing. More than three-fourths said they attended to see what was new in farming practices and the products and 25.2% went to compare similar products from different manufacturers ("Why & How", 1983). Farmers attend ag shows for many different reasons, but big name entertainment doesn't appear to be one of them. The entertainment makes no difference to 36.6% and definitely would not encourage another 20.5% to attend. Only 23.4% of the farmers attend a certain show because of the entertainment. However, some of the largest manufacturers have found it useful to encourage the large crowds as long as the entertainment is incorporated with product knowledge. As stated by a representative of Deere & Co., "We try to demonstrate the product in an

entertaining fashion—we reward the customers for their attention by giving them a bit of entertainment while we're giving them info about the product" ("Farm Shows", 1976) Another representative from Allis Chalmers summed it up well "At big shows I want to get farmers together in groups of 300-400 to give our story—it's too inefficient otherwise. Professional entertainment is okay but it must relate the product to the act, and the customer must gainproduct knowledge. They can be entertained somewhere else. They are here for business reasons" ("Farm Shows", 1976).

Another important aspect in farm shows in the past has been handing out product information. However, in recent years, the amount of literature has dropped. Most companies take a limited amount and hand it our to persons that seem really interested, or they have the farmer fill our a card and have the local dealer contact the person or send the literature. This is also an excellent way to prospect for new sales leads for the local dealer ("Farm Shows", 1976). Other free materials such as shopping bags, rulers, hats, etc., are also viewed with mixed emotions. Most companies agree that they are useful as traffic builders—but not too effective otherwise. Case & Co. tries to give people something that they can wear. Then when other people see it they will usually what one also and come to the display ("Farm Shows", 1976).

Overall, shows seem to be popular with the farmers and a very effective marketing tool. A few of the major guidelines to keep in mind is to use displays that offer motion and noise to pull people into the display, offer give-aways as a good will gesture (but don't expect it to be an inducement to buy), offer literature to interested customers only and be prepared to sell to farmers who are there to compare products.

Salesmen

Salesmen were also mentioned as somewhat important sources of information, but there are number of areas where they could stand some improvement. Many farmers perceive company sales reps as well informed, but employing sales techniques that are a little to high pressure for some farmers, as is shown for Illinois farmers in Table 9 (Prairie Farmer, 1982):

Table 9.

Ratings of Salespeople

POSITIVE ATTRIBUTES CITED	% CITING
Very well informed, helpful	19.5%
Fairly well informed	62.3%
Not too well informed	16.4%
Very poorly informed	1.8%
NEGATIVE ATTRIBUTES CITED	% CITING
Push & poor attitude	27.8%
High pressure approach	24.8%
Misrepresentation	
or exaggeration	12.1%
Run down the competition	10.6%
Call at a poor time	9.6%
Lack product knowledge	9.2%
Prices are too high	2.9%

Trustworthiness

So, what are the most trustworthy and respected sources of information? A study done in 1980 in Wisconsin (Kroupa, 1980) shows us some interesting insights about how farmers rate information sources for being trustworthy:

INFORMATION SOURCE	%
Family	70%
County Agent	60%
Banker	58%
Own Experience	51%
Local Dealers	35%
Farm Magazines	26%
Radio	26%
T.V.Farm Programs	17%
Newspapers	8%
Salespeople	9%
Advertising	6%

Overall, farmers gave the highest marks for being trustworthy to institutional and personal contact sources with lower marks given to sources further removed—such as the mass media. However, when it came to naming information sources that they felt were up-to-date, the media scored much higher ("Farmers & Sons", 1980):

INFORMATION SOURCE	%
Radio	60%
Farm Magazines	57%
University Research	55%
County Agents	52%
Television	49%

There are many sources of information that are used throughout the adoption and decision making process. Some are trusted, some are not. However, as marketers, it is important to look at each individual product and match it with the most appropriate and trustworthy sources of information. Special consideration should be given to sources that are sometimes overlooked in the typical communication plan such as county agents and even friends and neighbors. By using a wise combination of media that will gain attention and be considered up-to-date and sources that are considered trustworthy, agrimarketers will be able to effectively reach their target market.

Evaluation

The farmer uses the information that he has gathered in setting a list of criteria for deciding or evaluating the products. Whichever product best fits the criteria set will have the most favorable attitude of the farmer (Funk & Vincent, 1978). The three most important criteria include:

- 1. Product preference (as in the case of herbicides: weed control, carryover problems, crop damage, etc.).
 - 2. Dealer service.
 - 3. Ease of use.

Less important criteria used were:

- 4. Cost
- 5. Company pamphlets
- 6. Advertising
- 7. Farm magazines

In one study that was done on herbicides, there was a large perceived differences on product effectiveness and on product attributes. However, there was little perceived difference in non-product attributes such as service, advertising, pamphlets and other promotions (Funk & Vincent, 1978). In short, informations sources, while important in other stages of the adoption process, seem to have little effect on the final purchase decision. This would indicate that contests, give-aways and the like would not be effective for the farm audience except as a means to gain attention.

Although product attributes will win in the final analysis, most farmers aren't "married" to one brand. Three-fourths of all farmers say they consider two or three brands of equipment and the remaining one-fourth consider four to six brands ("Why and How", 1983)! Farmers relied heavily on information from magazines, fairs and dealers in learning about new equipment. But in deciding on purchases, the farmer turned to his peer—another farmer. Only one-fourth of the farmers said a given information source was especially helpful in making the final adoption decision. Of this group 23% listed commercial sources and dealers as the most helpful with friends, neighbors and relatives almost equal with 22% and mass media at 21% ("A New Look", 1982).

There is some price comparison when a farmer is looking for farm supplies with about 41% of farmers claiming that they do quite a bit of price comparing, 46% saying there is some price comparison and only 14% saying

there is no price comparison. Service and quality are much more important in the final decision as shown by Table 10 (Prairie Farmer, 1982).

Table 10.

Buying Considerations For Major Equipment Purchases

CONSIDERATIONS CITED	% CITING	
Service	32.8%	
Quality	31.9%	
Dependability	21.7%	
Price	18.6%	
Local Dealer	16.8%	
Parts Availability	16.4%	
Brand	8.0%	
Financing	6.2%	
Economy of Operation	5.3%	
Availability	4.0%	

Many of these catagories are overlapping with the dealer generally handling service and parts. Plus a second study shows that when all the facts are in, it appears that the reputation of the dealer for fair dealing and service was the deciding factor. Nearly 49.3% said the reputation of the dealer was the deciding factor with 34.1% saying that they were loyal to a particular brand and only 16.6% saying price was the deciding factor in the purchase decision ("Salesmen", 1976). Not only is the dealer important, but farmers prefer to have a LOCAL dealer. When questioned over 80% prefer to have a local dealer with the remainder buying where they can get the best deal

(Prairie Farmer, 1982). Nearly 80% bought from dealers less than 10 miles away, with the next 15% buying within 15 miles in a recent Iowa study (Wallaces Farmer, 1980). Obviously, when it comes to the decision making process, one of the most important factors is a local dealer who the farmer can depend on for service.

Trial/Purchase Decision

If the farmer feels that the information and evaluation justify a change AND that a new product will meet the criteria he feels are important, he will change to the new product. Otherwise, if he doesn't find a new product that will meet his criteria, he will stay with the same brand. In a study of farmers purchasing decisions in regard to herbicides, it was found that over a 7 year period (Funk & Vincent, 1978):

20% make no change

34% make one change

24% make tow changes

20% make three changes

03% make four or more changes.

This data would indicate that a company can make significant market share increases if they can convince the farmer his present products are not doing the job effectively.

There is little a marketer can do to influence this stage of the adoption process, but some guidelines will help. After the information and evaluation stage, an operator will make the decision to adopt or reject the product or practice. But, before the adoption actually occurs, the farmer will usually try the product on a small part of their operation to see how effective it is in actual usage. In one study on the adoption of reduced tillage farming, more

than three-fourths of the farmers tried reduced tillage on part of their land before implementing it on all of their acres ("A New Look", 1982). This would indicate that it is advantageous to marketers to try to get the farmer to try new products on a small acreage through special trial offers, or for larger equipment, through a trial or leasing program.

Farmers were more likely to adopt a new method or product if they had some exposure to similar ideas or practices previously. Farmers who had adopted hybrid seed corn and were familiar with the concepts of hybridization were more likely to adopt hybrid livestock as well ("A New Look", 1982). It seems, however, that even though a farmer may have known about a new practice or product for a long time and gathered as much information as possible, he must come in contact with it and try it himself before he will adopt it and use it ("A New Look", 1982). It does help if the practice or application is highly visible. Those that can be tried on a sample basis and those products that can be easily seen as working, will be adopted more rapidly than those that can not. Cost, although not an important consideration in the decision process is important when it comes time to try a new product. A product that is expensive to try will be adopted as rapidly. But, the lower the cost/benefit ratio, the slower a product will be adopted ("A New Look", 1982).

One communication medium in particular seems to have an effect on the purchase behavior. Of farmers that had attended previous Farm Progress Farm Shows, 46.9% said that they later purchased items as a result of seeing the product at the show ("Farmers Attend", 1983).

Post-Purchase Evaluation

In the post purchase stage, the farmer evaluates the product's performance. If he is satisfied with the product, he will stay with it. if not he will start the cycle over again—he has recognized a problem. At any point within the process an idea may be rejected. Every time an alternative is presented the process repeats itself ("A New Look", 1982).

CHAPTER 3

Summary

The good marketer will help the farmer realize that a problem exists—a problem that the marketer's company can solve. With herbicide and pesticide companies, this could lead to free booklets on identifying various plant and insect pests. Once a farmer is made aware that he has a problem, a sale will be much easier. Information MUST be made available at all levels of the marketing chain and especially at the dealer level since the dealer is one of the persons most trusted by the farmer. It is very important to keep the dealers informed—perhaps through the use of a dealer newsletter. It is also possible to inform the farmers directly through the use of farmer meeting, test plots, shows and newsletters.

Keeping farmers aware of new product information through advertising is also important. The best readership is found in and the most trust is placed in the state farm publications. Newspaper and television seem to have little impact on the farmers with two important exceptions. Local newspapers are good advertising media for local dealers and tend to have a high amount of believability and readership. Television can be effective for a big splash for a new product or to generate excitement among dealers.

In the Midwest (east of the Missouri River) it is important to have dealers within a 10 to 20 mile radius. Further west in less populated states, dealers may be up to 40 to 50 miles away. Dealers need to be well informed about the product —both the sales points and the service needs and regular newsletters seem to be effective.

A minimal list of marketing resources and information supplied by a manufacturer would seem to include the following:

Advertising

- A. National ads in farm papers. These should be large space, full color, bleed ads. Localized copy and dealer information are helpful.
- B. Local newspaper ads for dealers. Advertising for dealers should stress dependability, service and the reputation of the dealer.
- C. Yellow pages to let farmers easily find their nearest dealer.
- Company brochures and literature for in depth product information.

3. Newsletters

- A. One from the manufacturer to the dealer to keep the dealer informed.
- B. One from the dealer to the farmer to keep the farmer informed of new products and practices and to keep the dealer name in mind.
- 4. Attend trade shows and demonstrations.
- 5. Hold dealer schools to keep dealers informed.
- 6. Make generous use of publicity on new products or new ways to use existing products.
- 7. Provide information to farmers that points out problems with present methods.

And most importantly--keep the farmer satisfied after the purchase. If you don't, some other smart marketer will show the farmer that he has a problem!

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