

# Pickup, Delivery & Shipping

The Good,  
The Bad, &  
The Important

A **FREE** Webinar

Tuesday 4/14  
10:30 am EST

You **MUST**  
Register



# Our Next Webinar

**A FREE Webinar**



**How to Add  
Your Farm  
Business  
to Google Maps**

**Tuesday, April 21st  
10:30 am**

 College of Agriculture,  
Food and Environment

 CENTER FOR  
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**University of Kentucky**  
College of Agriculture,  
Food and Environment  
*Cooperative Extension Service*

# Who's here today

- Kati Bowman – KCARD
- Olivia Vogel – KCARD
- Brett Wolff – UK Center for Crop Diversification



**University of Kentucky**  
College of Agriculture,  
Food and Environment  
*Cooperative Extension Service*

# What we're trying to accomplish today

- Discuss some of the advantages (good), disadvantages (bad), & key considerations (important) of a few distribution methods for direct marketers
- Provide some recommendations and resources for moving forward with adding distribution methods

# A mindset for trying new things

- Research. Decide. Start. Adapt.
  - Things will go wrong—plan the best you can.
- One method of distribution won't work for everyone.
- Don't do a distribution method in a panic now, and then drop off on offering it.
  - Think strategically about how these methods work together
  - Focus on one or two new methods

# Don't forget to **make money!**

- As you do business differently you'll likely see NEW or DIFFERENT costs (materials, time, fees, etc.) This may require you to make decisions about:
  - Setting minimum orders
  - Only offering some products in some places
  - Figuring out fees/price adjustments to account for costs
- New channels are great, but you still need to make sure you are still operating profitably
- Consider value of volume/new sales vs. costs to get them



**Kentucky Center for Agriculture and Rural Development**

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# Distribution Channels



On-Farm Pickup



Off-Farm Pickup



Delivery



Shipping

# Distribution Channels

## The Good

- Advantages to a given channel
- Partially based on your strengths/goals

## The Bad

- Everything has downsides too

## The Important

- Here we'll offer key considerations AND additional places you might go for information



# On-Farm Pickup

## The Good

- No additional overhead
- No transportation in-vehicle
  - product quality + travel liability + no logistics
- Connecting to farm brand (farm visitors)
- Cooped up customers, chance to drive out into the country
- Chance to sell more stuff
- Personal connection to your business



# On-Farm Pickup

## The Bad

- Willing to open up farm/home
- Managing pickup times etc.
- For some consumers not convenient
- On-farm logistics
  - Parking
  - Curbside?
  - Keeping things landscaped
- Insurance for on-farm visitors
- Managing your ordering



# On-Farm Pickup

## The Important

- Be realistic about this option
- Do you want people coming to your house
- Look around at other farms and how they approach on-farm pickup
  - Good artists borrow, great artists steal ;)



Photo via Pinterest



# Off-Farm Pickup

## The Good

- Don't come to farm/house
- Additional consumer convenience
- Marketing opportunity in community (vehicle and/or pickup location branding)
- In-store drop-off, more marketing opportunity
- Can drive more to pre-order (no option to add-on later)
- Potential efficiency gain relative to traditional retail
- Many cons of On-Farm, are pros of Off-Farm & vice-versa



# Off-Farm Pickup

## The Bad

- Logistics of transportation/packaging
- Childcare during pickup
- Still managing pickup times
- Partners may not take good care of product (unstaffed)
- Can't offer easy add-ons if
- Managing your ordering
- Curbside/low contact?



Photo via Tufts University



# Off-Farm Pickup

## The Important

- Need to decide whether you will offer a staffed or unstaffed pickup location
- Make sure you have clear communication with the owner of the pickup site about what you are planning to do and **WHEN**



Photo UK Sustainable Ag CSA





# Local Delivery

## The Good

- Marketing on vehicle/uniforms
- High consumer convenience
- Potential to reach different demographic
- Better control of product up until time of delivery
- Integrate with other existing delivery route (if already delivering)
- Potential additional customer engagement/loyalty



# Local Delivery

## The Bad

- Reaching customers in first place collecting addresses
- No control once you leave the product on their doorstep
- Packaging costs and waste
- Transportation costs
- Devising delivery routes
- Can't offer easy add-ons if
- Managing your ordering



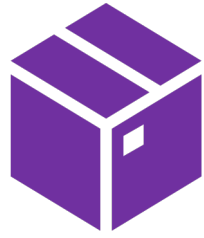
# Local Delivery

## The Important

- Set specific delivery days based on feedback from committed customers
- May need a strong base of larger orders
- Costs can add up quickly
- Be careful with setting precedent—customers will get used to it



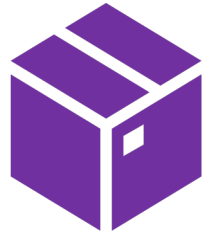
Photo via Facebook:  
Rootbound Farm



# Shipping

## The Good

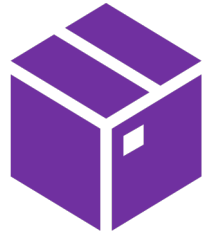
- Broaden customer base
- Potential to reach higher end customers
- High level of customer convenience
- Cast wider net relative to delivery or pickup
  - Think about 8 hour driving radius
- Business convenience (pickup from shipping location)



# Shipping

## The Bad

- Significantly increased logistics including
  - Ordering
  - Packaging
  - Working with delivery companies
- Costs
  - Direct
  - Time in management
- Variable Item Handling/Freshness requirements
  - Shelf-stable
  - Cool
  - Frozen
- Less control over product after it leaves your door



# Shipping

## The Important

- Check out business shipping rate
- Volume discounts
- Graze webinar series
- Shipping integrations available w/online stores



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