

# Kauai Coffee Agricultural Business Plan Competition Phase II – Day 2

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Resource Research & Evaluation

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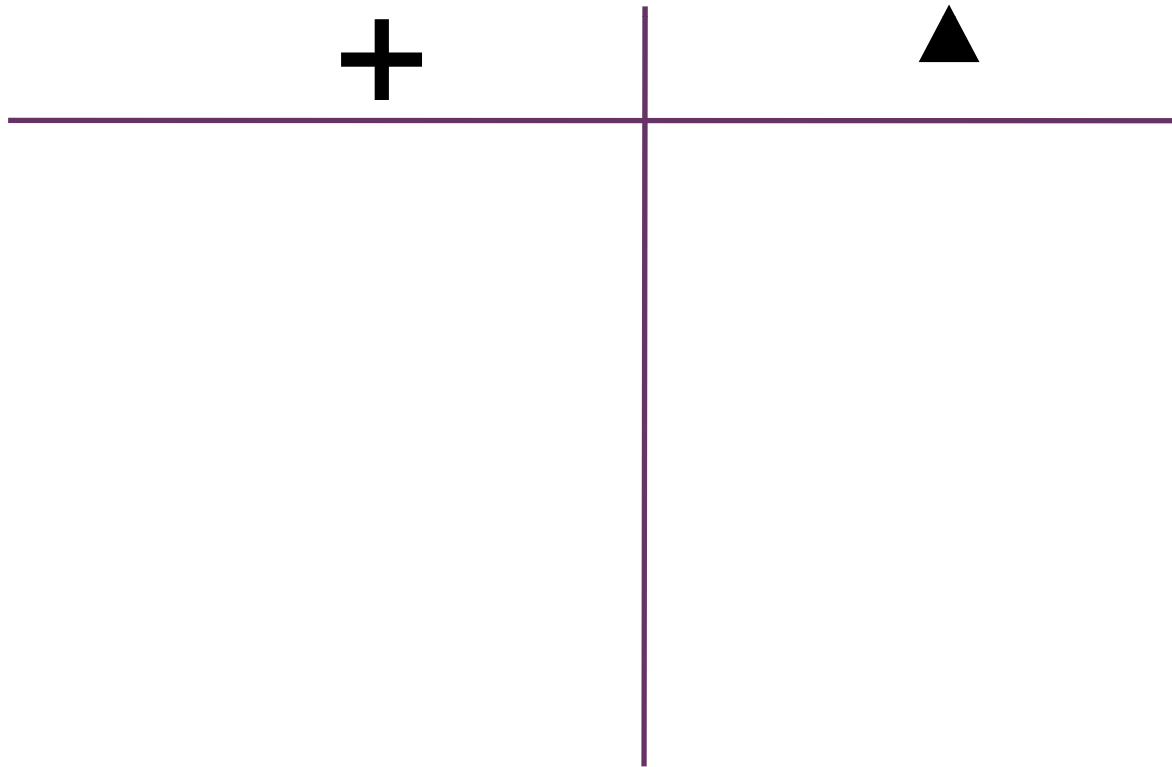
Mixed plate today!

# + Tasks for the evening

- Presentation download – what did you do well and what will you do better on the next time? 15 mins
- What transformation is happening so far for your business or team? 5 mins
- Guest speaker on marketing via Skype – Alan Tang, Olomana Loomis ISC, he’s got experience in your types of businesses. 40 mins
- Break. 12 mins.
- Jim adds to Alan & then the “So what?” exercise. 30 mins
- Chuck Wolfe, KEDB’s commercial kitchen reconnaissance consultant. 15 mins
- Questions

# + But first, a few things

- What did you do well last week, and what will you do better next time?



# + But first, a few things

- What is happening to your business and team right now as a result of the contest so far?

# + Cool tools



- + Marketing to get sales, to get revenues to, hopefully, get profits
- or,
- “The 4 P’s and Other Important Letters”

# + Remember this little girl?

## 1. The Product

- Traditional, sweet coconut juice and meat

## 2. The Customer

- 20% locals, young men, extra money
- 80% visitors, all ages, vacation dollars

## 3. The Competition

- One similar stand 2K west
- Soft drinks and water
- Coconut sellers in town

## 4. The Marketing Strategy: The 4 P's

### *Price*

- \$3 for 1 coconut, \$5 for 2 coconuts

### *Place*

- Roadside stand – simple, clean with shade
- Hand washing facilities
- Trash can
- 12K from main center

### *Promotion*

- Clear signage
- Signage in English, German and Japanese
- Informational sign about the biology and growing of coconuts
- 25% of the sales of coconuts goes into seller's college fund
- Nutritional information compared to soft drinks

### *Product*

- Traditional sweet coconut
- Chilled, open with straw – ready-to-drink
- Healthy compared to soft drinks
- Innovation: coconut spoon (made from coconut husk)

## Bonus: Sales Goals

- 4 coconuts per hour for 5 hours/day (20 coconuts/day) gives a range of revenues between \$50-\$60/day





# + What type of business do you have?

- “Livelihood” vs “Lifestyle” business
- Sole Proprietorship, LLC, S-Corp. etc ..... Not going to talk about that now.

# + Getting your game on\*

- Customer focus
- “Value proposition” (aka, attributes of the Product)
- Positioning
- Pricing
- Distribution
- Selling

\* Much of this talk from Dr. James Richardson, Shidler College of Business, UHM, March 10, 2012

# + Does your product have “value”?

- What are you offering people in exchange for their money?
- So, what? So, what? So, what? Anyone willing to try this?

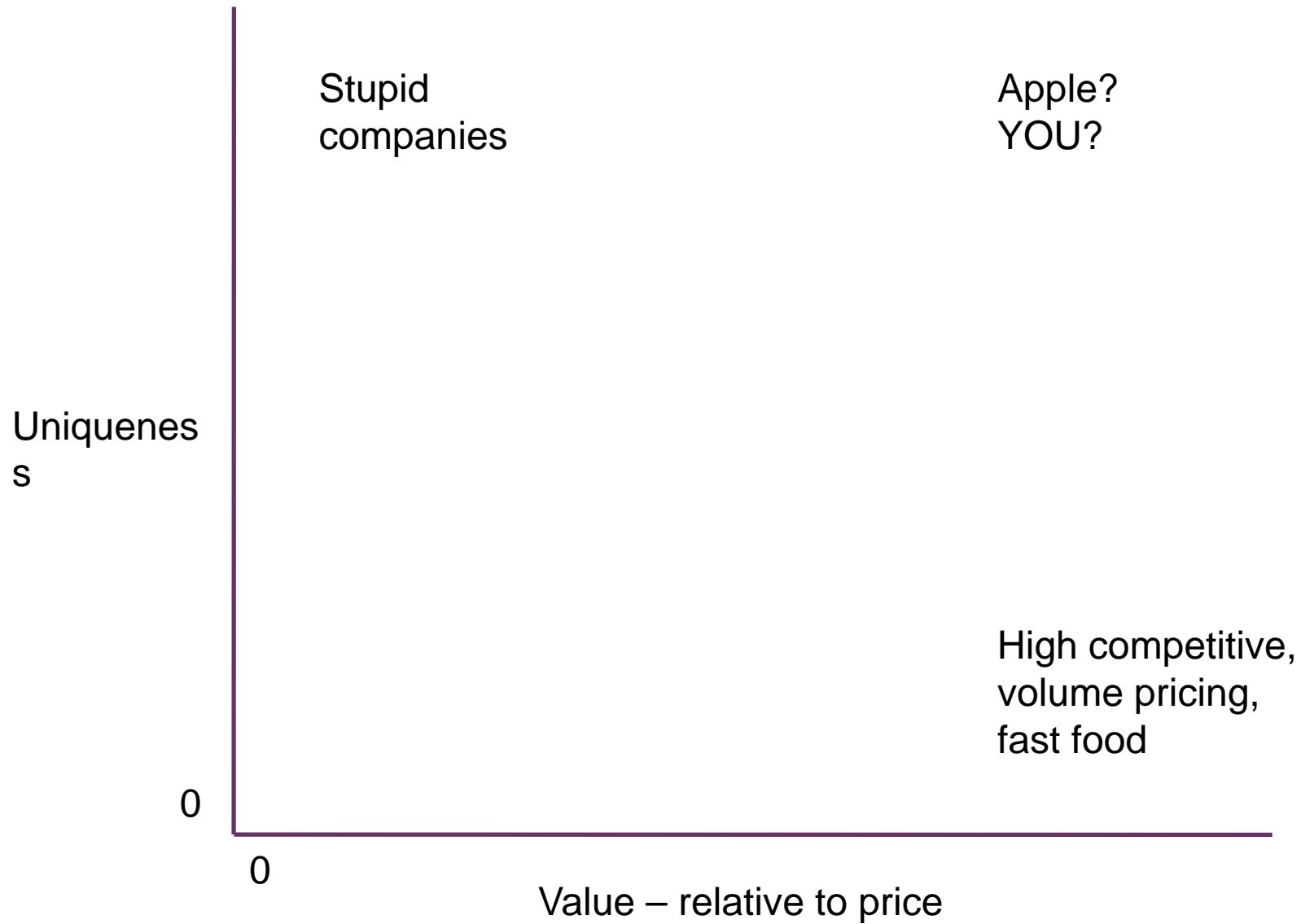
# + Customer focus

- Dominant theme of your product – your mantra?
- Will people buy your thingy?
  - Buy with eye first, then taste, then repeat sales with VALUE
- How can you engage in other peoples' lives with your product?
  - Are you actively getting positive and negative input?
  - Can they be part of evolving your product (watch for ownership issues)
- Can you stay focused on creating “value” for our customers?

## + Location, location, location – your Positioning (Placement)

- Who is your customer and where are they located (or where are they going to be so your product can meet them there)?
- Where on the shelf? “Slotting fees”
- Why should they buy your thingy from YOU?

# Got value?



# + Guy Kawasaki says ...



# + Pricing

- No vows of poverty.
- Cost Plus – cost plus some mark-up
- Cost Minus – your competitors may push you down
- Got cache – maybe your product is gourmet enough to command a bigger price, just because it is special
- Got a “price sheet”?
- Bottom line – you have to know your cost of production and what it costs you to have the livelihood you want



# + Promotion

- How will you reach customers?
  - Direct or indirect
  - In person, on paper, with electrons
- Got a “brand personality” for your product?
- Social media – “word of mouth” (on the internet)

# + Distribution

- How will you get products to customers?
  - Direct (at your place, at a farmers market, at someone else's place)
  - Can you handle the distribution work or will you pay someone a percent of sales?
  - Can you handle the costs or margin – and still make the product salable?
  - Make it easy for customers to get.
  - Convenience is HUGE now. If you don't do it, someone else will.

# + Selling

- Learn the attributes of your product – this is the VALUE!
- Successful selling is when people take the money out of their wallet and give it to you.
- Seek and use Testimonials on the VALUE.

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Questions?