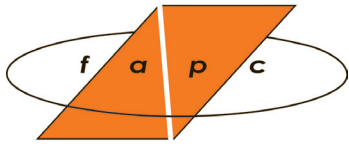


Food and Agricultural Products Center



FLASH!!

OKLAHOMA STATE UNIVERSITY™

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FAPC Can Help Businesses Take Advantage of Emerging Trends

STILLWATER, Okla. – Food industry trends usually come and go, but the Food & Agricultural Products Center has business planning and marketing associates to help Oklahomans grow their businesses and take advantage of these trends.

There are some who would say that the most successful business plan is to capture the more traditional market for a product, minimize costs, maximize the consistency and build business on sound day-to-day manufacturing and selling, said J. Roy Escoubas, FAPC director.

“Certainly, a prudent business plan demands that you use your strengths to your advantage,” Escoubas said. “However, a business leader should always be sensitive to emerging consumer trends and use those trends for business growth and profitability. An example of a current consumer trend in foods is low carbohydrate or ‘low-carb’ foods.”

Private marketing firms and the U.S. Department of Agriculture’s Economic Research Service have published reports that predict the value of the low-carb food market in America in 2004 will total about \$10 billion.

Additionally, these low-carb products will typically be higher margin products than the more traditional products. Even if this trend lasts one to two years, it is prudent to take advantage of this selling opportunity, Escoubas said.

“Recently, I noticed in the food industry trade press information on methods that must be considered for

food manufacturers or marketers to increase their sales,” Escoubas said. “The article was focused on growing your business by taking advantage of current trends in the retail market.”

According to the article, the first of the three items mentioned was a proactive marketing and merchandizing plan. This plan will likely be unique to the particular product and could include in-store kiosks, promotional coupons, promotional recipes and possibly in-store cooking demonstrations.

The second was the use of an innovative package design. Experts say that a retail food package must “connect” with a buyer.

Buyers must see something unique and something they can identify as valuable. It may be the shape, size, color or the wording of the package on both the primary and secondary display panels. Many feel the package is the facilitating medium through which most retail food is effectively sold.

The last item is timely product launches and effective re-positioning of older products that fully meet the requirements of the new trend. Sometimes, trends manifest themselves so quickly that product development is lagging.

It is extremely important to dare to evaluate products from the point of view of the retail customer. Then, technical knowledge can be used to reposition products, possibly in a new packaging format, to capture a trend and increase sales and profitability without much, if any, product development.

Escoubas said, it is important to consider the three items of a proactive marketing and merchandizing plan—an innovative package, timely launches and an effective repositioning of products—to help businesses capture market share of a new trend.

“Dare to critically evaluate your products from the point of view of your retail customer, and don’t be afraid to take risks,” he said.

Contact the FAPC at (405) 744-6071 for assistance in capturing emerging trends, increasing product sales and expanding profits.

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