

Unit F: Harvesting Fruits and Nuts

Lesson 3: Market Fruits and Nuts

Student Learning Objectives: Instruction in this lesson should result in students achieving the following objectives:

1. Discuss the impact of supply on marketing.
2. List and define the 4 P's of marketing.
3. Describe the type of markets for food products.
4. Determine the proper marketing strategy.

Recommended Teaching Time: 3 hours

Recommended Resources: The following resources may be useful in teaching this lesson:

- A PowerPoint has been developed for use with this lesson plan
- <http://www.kabuliwala.com/>
- <http://www.utextension.utk.edu/publications/pbfiles/PB1711.pdf>
- <http://www.fao.org/docrep/007/y5163e/y5163e08.htm#bm08.7>

List of Equipment, Tools, Supplies, and Facilities

Writing surface
PowerPoint Projector
PowerPoint Slides
Copies of Transparency Masters
Internet access

Terms: The following terms are presented in this lesson (shown in bold italics and on PowerPoint Slide #2):

marketing mix
marketing channel
vertical integration

Interest Approach: Use an interest approach that will prepare the students for the lesson. Teachers often develop approaches for their unique class and student situations. A possible approach is included here.

Pick a commonly sold product in Afghanistan that is marketed to a wide audience. Ask the students, “What is it about the marketing that makes this product attractive?” “If this product weren’t marketed would you know about it or buy it?”

Use this approach to move into Objective 1.

Summary of Content and Teaching Strategies

Objective 1: Discuss the impact of supply on marketing.

(PowerPoint Slide #3)

- I. Marketing fruit products is a very strategic action that will result in high profits if done correctly. Proper marketing does not take much experience, but will take some additional time to plan.
 - A. To achieve the highest price, not only does the quality of fruit have to be high, but the product has to supply the need of the consumers.
 - B. Growing fruits that are in high demand and low supply will gain a higher price. Following is a 2003 survey of the type fruit grown throughout Afghanistan.

(PowerPoint Slide #4)

1. The country analysis showed that grapes, followed by apples and almonds, pomegranates and apricots represent the highest percentage of orchard area for fruit species.
2. Grapes are the major cultivated fruit species in more than 15 provinces, representing 48 percent of the country.
3. Apples are the most cultivated crop in Wardak as well as in four other provinces.
4. Almond is the fruit tree farmer’s first choice in Uruzgan Province.

(PowerPoint Slide #5)

5. Pomegranates with their valuable native varieties are commonly grown in Balkh, Nimroz and Kapisa Provinces.
6. Mulberries are mainly grown in Badghis.
7. Nangarhar is the sole province where farmers grow subtropical trees due to the favorable climatic conditions and to its proximity to Pakistan.
8. Orange trees are the most common fruit crop in Nangarhar.

(PowerPoint Slide #6)

- C. Since grapes are the major cultivated species, it might be harder to market and sell grapes.
 1. If you can grow a fruit that is in low supply in an area, marketing and selling will be easier.

(PowerPoint Slide #7) This slide corresponds to TM: F3-1 and shows fruit species (excluding grape) with more than 1 000 jeribs (200 ha) in the monitored villages (spring 2003).

(PowerPoint Slide #8) This slide corresponds to TM: F3-2 and shows fruit species with less than 1 000 jeribs (200 ha) in the monitored villages (spring 2003).

Show TM: F3-1 and F3-2. They show a graphic representation of the amount of fruit trees/plants in Afghanistan. Discuss with the students what fruit would receive the highest price in various provinces based on supply.

Objective 2: List and define the 4 P's of marketing.

(PowerPoint Slide #9)

- II. Marketing strategies generally revolve around the 4 P's: product, price, place, promotion, and sometimes a fifth p: people.
- A. These P's make up the **marketing mix** or a particular company's approach to marketing a particular product.
 - B. The goal is to offer the right product at the right place for the right price and to inform the customers with the right promotion.

(PowerPoint Slide #10)

- C. If any of the P's is out of balance, the marketing approach will not be as effective as it could be.
- D. If you are growing oranges, you probably won't be able to sell oranges to another grower.
 - 1. If you are growing apples, the orange producer may be interested in purchasing from you.

Have the students discuss products they've seen advertised in Afghanistan. Talk about the product, its price, where it is sold and how it is promoted. Talk about who the product is commonly marketed to and why. Use TM: F3-3 to aid in discussion.

Objective 3: Describe the type of markets for food products.

(PowerPoint Slide #11)

- III. Food is marketed through marketing channels. A **marketing channel** refers to how the product moves from the farm through the food processor and on to the consumer.
- A. These channels may be very complex or very simple depending on the type of food and the type of retail facility from which the consumer chooses to make his or her purchase.

(PowerPoint Slide #12)

1. Each stage of the marketing channel represents a specific type of customer.
2. For example, a flour mill buys wheat and grinds it into flour.
3. It then sells the flour to a bakery.
4. The bakery makes bread and sells it to a wholesaler.
5. The wholesaler distributes the bread to retail outlets, such as grocery stores and restaurants.
6. At each stage, there is a buyer and a seller.

(PowerPoint Slide #13)

- B. In some instances, a company may own more than one stage of the process.

1. This is called **vertical integration**.
2. For example, a company might grow grapes and also dry those grapes to make raisins and sell them.

(PowerPoint Slide #14)

- C. Food marketing also can be classified by the stages the product must go through.
1. Commodity marketing—supplying undifferentiated raw material (farm commodities)
 2. Industrial marketing—processing the commodities into a basic form, for example wheat into flour.
 - a. This is purchased by a food processing firm to make the foods we eat.

(PowerPoint Slide #15)

3. Reseller marketing—marketing to warehouses.
 - a. The warehouse buys large shipments from multiple companies.
 - b. It then breaks the shipments into smaller lots and sends a smaller number of a large variety of items to the retail outlets.

(PowerPoint Slide #16)

4. Consumer marketing—supplying customers with mostly branded products.
 - a. Products that are not branded are generally referred to as store brands or generics.
 - b. They are just as good nutritionally, although the taste and flavor of generics may not be as consistent as branded products.

(PowerPoint Slide #17)

- D. Another way of classifying food marketing is from the consumer's perspective, according to where consumers purchase their food.
1. The most common is grocery stores or markets.

Discuss with the students how products are commonly marketed in Afghanistan. What are the best and worst methods? Is there a method that could be used more?

Objective 4: Determine the proper marketing strategy.

(PowerPoint Slide #18)

- IV. Marketing of your fruits and nuts should be done before they are harvested.
- A. Many factors should be considered in a marketing plan and answering the questions will help you determine your marketing strategy.
 - B. Talk about the product you are trying to sell.
 1. Does your product have any special features such as size, quality, variety, taste, etc. that will benefit the buyer?

(PowerPoint Slide #19)

- C. Find if there is a demand for your product and determine where the market, or highest demand, for your product is at.
1. Where are your potential customers located?
 2. What are the demographic characteristics of potential consumers?
 - a. What is their age?
 - b. How much income do they have?
 - c. How big is their family?
 3. What are the behavioral characteristics of potential consumers?
 - a. What is their lifestyle like?

b. What fruits and nuts will they eat?

(PowerPoint Slide #20)

- D. The existing market demand must be determined.
1. How many potential buyers are there?
 2. How many fruits and nuts do they currently consume?
 3. How much do they usually buy in a year?

(PowerPoint Slide #21)

- E. Some markets might demand specific grades, quality or sizes.
1. This can be determined through face to face conversations or surveys taken of the community.

(PowerPoint Slide #22)

- F. Will there be any cost for transportation to get your product to the market?
- G. Are there any current competitors in the market?
1. What do you have to offer that is better than your competition?
- H. What price does the market offer and how volatile is the price?
1. What is the highest price and the lowest price you are likely to receive, and what conditions create these price situations?
- I. What is your expected sales volume?
1. What is the minimum and maximum volume of product you believe you could sell in one year?

Have the students go to <http://www.kabuliwala.com/> . This is a dried fruit and nut company from Afghanistan. Have the students analyze this company and its marketing by answering the questions in this objective. If possible, contact someone at this company to speak to the class about their marketing strategy.

Review/Summary: Use the student learning objectives to summarize the lesson. Have the students explain the response to the anticipated problem of each objective. Student responses can be used to determine which objectives need to be reviewed. Questions on **PowerPoint Slide #23** can be used as review.

Application: Split the students up into groups of 2 to 3. Have them create their own fruit and nut company. They should answer all questions presented in Objective 4 and also consider all other points made in the other objectives in the lesson. They can be creative in their company. They can create posters, brochures, flyers, etc. but most importantly they should present a marketing plan that answers all of the questions from Objective 4.

Evaluation: Evaluation should focus on student achievement of this lesson's objectives. A sample written test is attached.

Answers to Sample Test:

Short Answer

1. What is a marketing mix?
A particular company's approach to marketing a particular product.
2. What is a marketing channel?
A marketing channel refers to how the product moves from the farm through the food processor and on to the consumer
3. What is vertical integration? Provide an example of a vertically integrated company.
Vertical integration is when company may own more than one stage of the process.
For example, a company might grow grapes and also dry those grapes to make raisins and sell them.
4. What are the four stages of food marketing?
Commodity, Industry, Reseller, Consumer
5. What are the four P's of marketing?
Product, Price, Place, Promotion
6. List 5 questions you should consider when creating a marketing plan.
Various answers accepted. Any of those listed in Objective 4 are acceptable.

Sample Test

Name _____

Test

Unit F Lesson 3: Market Fruits and Nuts

Part One: Short Answer

Instructions. Provide information to answer the following questions.

1. What is a marketing mix?

2. What is a marketing channel?

3. What is vertical integration? Provide an example of a vertically integrated company.

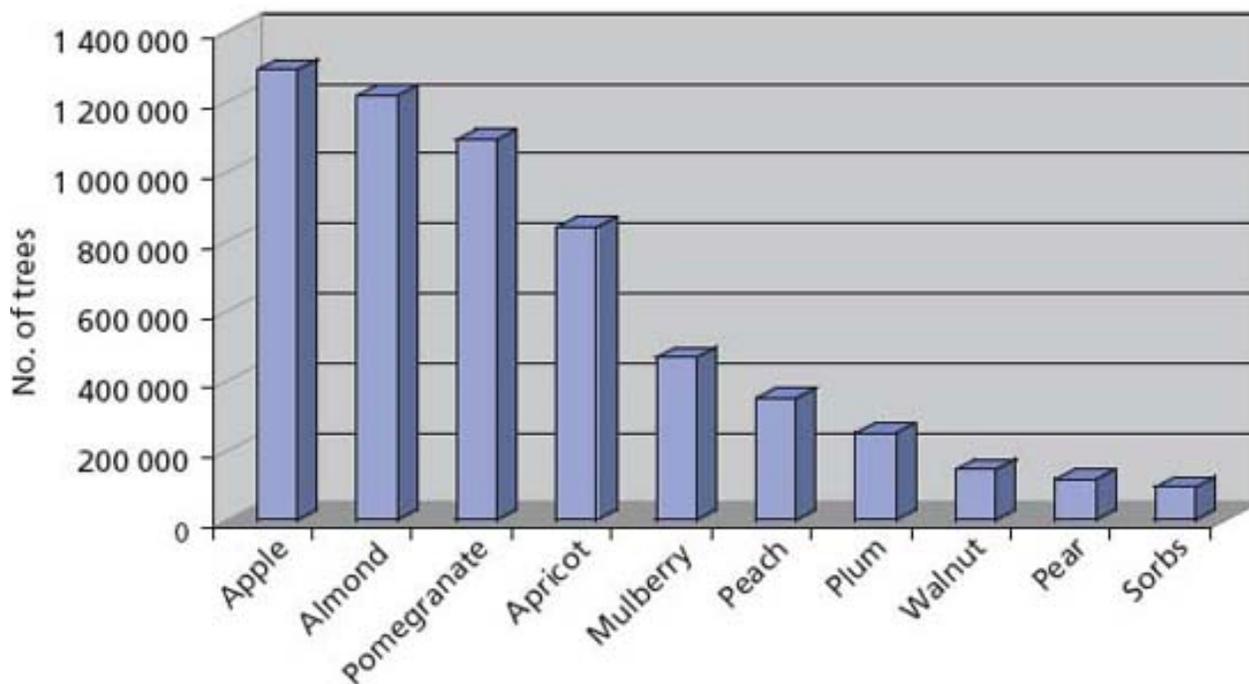
4. What are the four stages of food marketing?

5. What are the four P's of marketing?

6. List 5 questions you should consider when creating a marketing plan.
 - 1.
 - 2.
 - 3.
 - 4.
 - 5.

Afghanistan Fruit Survey

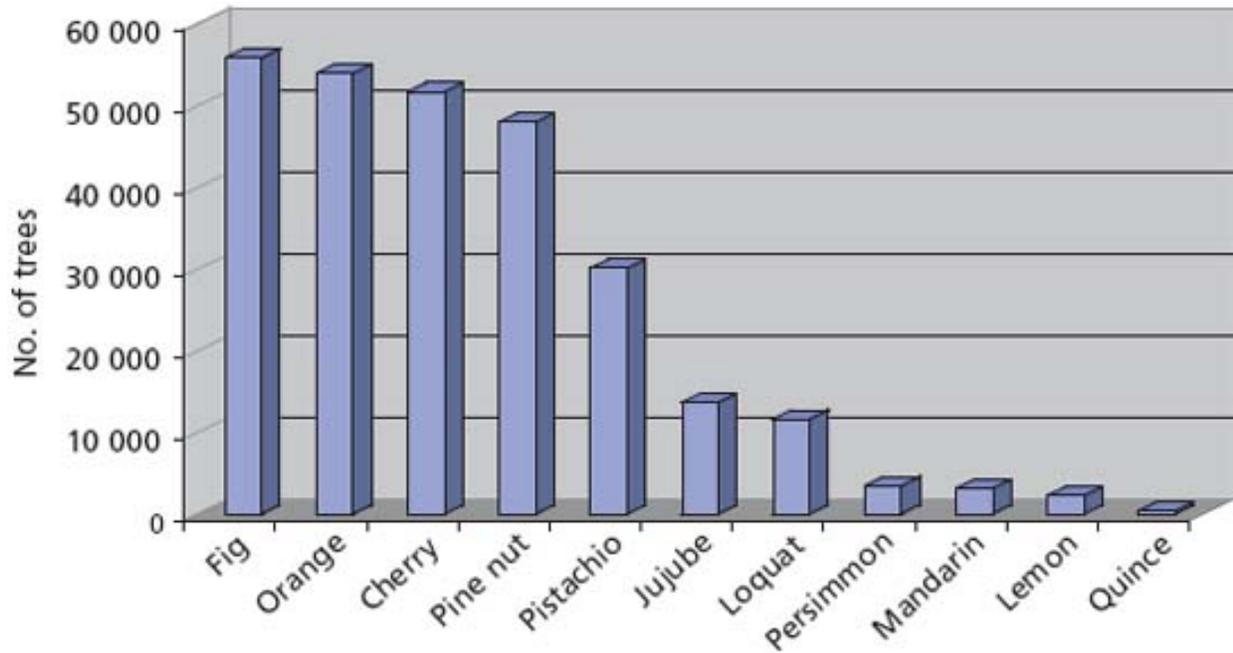
Fruit species (excluding grape) with more than 1 000 jeribs (200 ha) in the monitored villages (spring 2003)



Source: <http://www.fao.org/docrep/007/y5163e/y5163e08.htm#bm08.7>

Afghanistan Fruit Survey

Fruit species with less than 1 000 jeribs (200 ha) in the monitored villages (spring 2003)



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THE 4 P'S OF MARKETING

- ◆ Marketing strategies generally revolve around the 4 P's:
 - Product
 - Price
 - Place
 - Promotion
- ◆ Some companies now include a fifth p: people.
- ◆ These P's make up the marketing mix or a particular company's approach to marketing a particular product.
 - The goal is to offer the right product at the right place for the right price and to inform the customers with the right promotion.
 - If any of the P's is out of balance, the marketing approach will not be as effective as it could be.