



Farm Management Fact Sheet

Marketing Farm Produce in Newfoundland and Labrador



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At its most basic level, marketing is selling – and selling what you produce to generate revenue is the most fundamental aspect of business. Even with record production and low costs, you will not be profitable if you do not sell your product.

The Newfoundland and Labrador Market Place

The population of this province (the market) is low at approximately 510,000 people, and spread over a large geographic area, which makes marketing challenging. Newfoundland and Labrador is highly dependent on food

imported from outside of the province, and consumers have a strong desire to buy locally produced food. Taking advantage of this opportunity means getting produce to the consumer, or getting the consumer to the produce – and then convincing the consumer to buy it. No matter how good the product is, it will not sell without help.

Opportunities and Methods

There are two broad methods of marketing, or selling, agricultural products: **direct marketing** and **indirect or wholesale selling**. Direct marketing occurs when produce and farm products are sold directly to the public, whether fresh produce or further processed product from the farm. Indirect or wholesale selling means the producer does not interact directly with the consumer. The product may be sold to the wholesaler for distribution as fresh or further processed food.

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Direct marketing activities include farm gate sales through a small stand, larger on-farm markets, u-picks,



local farmers' markets, annual agricultural fairs and shows, community supported agriculture, online ordering, agri-tourism, or door-to-door sales. Direct marketing offers certain advantages and disadvantages to the producer.

Advantage

- Producer is able to offer a farm fresh product directly to the consumer
- Cash sales and immediate payment
- Reduced packaging, transportation and storage expenses
- Direct interaction with the consumer
- More control over pricing/quality control
- Suited to small producers
- Allows for sale of further processed product

Disadvantage

- May take producer away from other farm management activities
- Long retail hours may be required
- Requires diversification in the case of on-farm markets
- The customer is always first and always right
- Potential for high on-farm traffic of non-farm people

- Requires a location near a population for u-pick and on-farm markets
- On-farm markets require infrastructure including washrooms and accessibility

The Agriculture and Lands Branch of the Department of Fisheries, Forestry and Agriculture offers resources to assist with farm management, including short courses, consultations, publications, and financial assistance for eligible applicants.

For more information, please contact the Agriculture Business Development Division Farm Management Specialist in your area.

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