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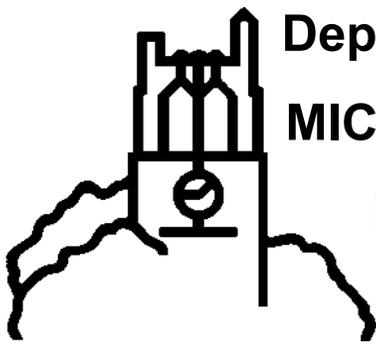
# ***Staff Paper***

**“Segmentation and Differentiation of Agri-Food Niche  
Markets: Examples from the Literature”**

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**Staff Paper #2001-05**

**March, 2001**



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**“Segmentation and Differentiation of Agri-Food Niche Markets: Examples from the Literature”**

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**28 pages**

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# “Segmentation and Differentiation of Agri-Food Niche Markets: Examples from the Literature”

Niche marketing has recently received a great deal of attention in the agri-food trade press and in academic circles as a legitimate strategy for small- and medium-sized agri-food firms. Figure 1 shows the number of articles from the past two decades about agri-food niche marketing organized by five-year periods. These articles have been identified from an electronic search of the agricultural economics and agricultural trade press literature. Two things are apparent from Figure 1. First, niche marketing has been repeatedly cited as a potential strategic alternative for agricultural producers and other firms within the supply chain. Also, agribusiness scholars and agricultural journalists have been paying more and more attention to the topic. However, agri-food niche marketing has not had a great deal of theoretical characterization or examination to date.

For the purposes of this paper, niche marketing will be defined as a marketing strategy that uses product differentiation to appeal to a focused group of customers. The emphasis on product differentiation and market segmentation are consistent with the descriptions of niche marketing in Bastian *et al*; Kazmierczak and Bell; Linneman and Stanton; and OECD. Decision makers within the agri-food supply chain need theoretically sound, practical guidelines for identifying and selecting promising niche market alternatives if they wish to develop an effective niche marketing strategy.

Due to the limited theoretical treatment of agri-food niche marketing strategy, the paper will apply marketing concepts from the general management literature (e.g., Porter; Linneman and Stanton) to agri-food industries. The first objective of the paper is to introduce the three elements of niche marketing strategies and show how these elements can be used to form a strategy

identification matrix. The matrix is intended to be used by agribusiness decision makers to assist in the development of niche marketing strategies. The second objective is to provide examples of successful niche marketing strategies that have appeared in the literature related to agricultural markets. More than forty such examples have been identified and collected. These case studies will be analyzed, and their relationship to the niche strategy matrix will be examined.

### **The Role of Customer Characteristics in Niche Marketing**

Niche strategies are by definition market-oriented. Such strategies begin with a clear idea of a focused target market, and the particular needs that make it special. This is one of the key aspects of the focus strategy described in Porter. The first element of a niche marketing strategy is based on characteristics of intended customers.

Several different types of customer characteristics may be used as the basis for identifying a group of target buyers. Marketers have used demographic characteristics (e.g., age, income, gender, etc.) both broadly and narrowly to group potential customers into segments. Geographic location is a type of demographic trait that is frequently used. With this type of segmentation, the marketer sells a product that is commonly available in certain areas (e.g., the home market of the marketer), but is unusual in the niche target market area. It is the geographic target market, not the product itself, that creates the product's differentiation.

For a marketer who concentrates on the domestic market only, a niche marketing strategy based on a limited geography can be called 'regional marketing.' An essential element of regional marketing, as well as other niche marketing strategies based on geography, is that the people who live in different regions have distinctive preferences. Linneman and Stanton suggest the following areas of regional differences: levels of economic development, language, culture, and religion. As a

basis of market segmentation, geography can be used as a summary variable for a web of demographic and other variables associated with the consumers in a particular location.

Marketing researchers have proposed other customer characteristics besides demographic traits to segment markets. Sissors identifies a number of customer characteristics including usage patterns, brand loyalty, and readiness to buy, among others. Another method, called lifestyle segmentation, was developed by integrating demographics with psychographics (attitudes and values). Senauer *et al* discuss a lifestyle-based segmentation scheme used by the Pillsbury company. It divides food consumers into five categories: the Chase and Grabbits, 26% of consumers; the Functional Feeders, 18%; the Down Home Stokers, 21%; the Careful Cooks, 20%; and the Happy Cookers, 15%.<sup>1</sup> A number of other lifestyle-based segmentation systems are also described in detail in Senauer *et al*.

The final class of customer characteristics that may be used to create market niches are behavioral factors. Yankelovich suggests seven bases for behavioral segmentation. They are value, susceptibility to change, purpose, aesthetic concepts, attitudes, individualized needs, and self-confidence. For example, he states that the beer market may be segmented by “reasons for drinking beer (purposive); taste preferences (aesthetic); price/quality (value); and consumption level” (pg.

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<sup>1</sup> Following are descriptions for each of the Pillsbury lifestyle-based segments. “The Chase and Grabbits are yuppies, young urban singles, and married couples without children. They are a rapidly growing group. Functional Feeders are typically older; the husband works in a blue-collar, union job. They are interested in preparing traditional meals in more convenient ways. Down Home Stokers eat traditional regional and ethnic foods. Their incomes are lower, and when the wives work, it is from economic necessity. Careful Cooks are better educated, older, frequently retired, and have higher incomes. They try to eat a healthful, nutritious diet but still want to enjoy their food. Happy Cookers are households where one of the members enjoys cooking and baking. They buy basic ingredients and nutritious products such as fresh fruits and vegetables. The Chase and Grabbits and Careful Cooks are growing market segments, whereas the other three are declining.” (Pg. 4).

88).

### **Product Differentiation Based on Intangible Use Criteria**

Porter defines use criteria as “Purchase criteria that stem from the way in which a supplier affects actual buyer value through lowering buyer cost or raising buyer performance” (pg. 142). Use criteria can be divided into two types, intangible and actual. Intangible use criteria are buyer selection criteria that are related to purchase motivations that are not economic, in the narrow sense. Examples of intangible use criteria include such things as style, prestige, and brand connotations.

One way agri-food marketers use intangible use criteria to differentiate products is based on how the product is produced. Often times, such products are produced in a manner that is perceived by the consumer to be healthier or less degrading to the environment. If subjected to chemical analysis, products of this type may be distinguished as only slightly different or even the same as their more widely available ordinary counterparts. Such a distinction, however, is secondary to the psychic benefit the niche product provides to the consumer.

Another way to differentiate products based on intangible use criteria relates to the identity of the producer. A specific example of this strategy involves marketing tomatoes by Iott Family Farms in southeastern Michigan (Iott). This firm created a trademarked name, Cork’s Gourmetos, and established an Internet site to promote and sell their high quality tomatoes. The site provides information about the Iott family, the history of their farm operation, and Cork Iott, the namesake of their top product.

A more general case is for producers of agri-food products to achieve differentiation based on regional identity. For example, wine from a specific viticultural region could have a special trademarked name on the labels of the wine bottles. Regional identity is a promising method of

differentiating products for three reasons. First, it is a product feature that cannot be specifically imitated if it proves to truly differentiate. Second, it capitalizes on the positive feelings that a group of consumers may have about an area, especially those consumers living in the area or tracing their heritage to the area. Finally, if targeted consumers are local, products with regional identity will appeal to consumers who receive a psychic benefit from contributing to the local economy.

Certain limitations, costs, and risks are associated with using regional identity to differentiate products. Such a strategy works best for regions with a preexisting positive image or reputation. Significant costs must be incurred to plan and organize a marketing campaign to promote regional identity, to develop product standards, and to accomplish other necessary related tasks. Resources may be required to enforce product standards, if necessary, and to prevent the unauthorized use of regional trademarks.

### **Product Differentiation Based on Actual Use Criteria**

Actual use criteria (Porter), in contrast with intangible use criteria, derive from the product itself, e.g., the taste difference between two branded soft drinks. In this example, the operative actual use characteristic is the quality of the product. Other actual use criteria are based on form (or functionality), place, ease of possession, or time. These criteria correspond with the utilities of marketing described in Beierlein and Woolverton.<sup>2</sup>

Achieving product differentiation by enhancing actual use criteria entails increasing the measurable benefits the customer obtains from the product. In agri-food industries, providing form utility typically requires processing a product. An examples of changing the form and functionality

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<sup>2</sup> The examples of differentiation through form, time, place and possession utility given below are also based on Beierlein and Woolverton.

of a product to meet the needs of a focused market is production of engine oil from soybeans. The form of the soybeans is changed to become a lubricant, and superior functionality is provided because this biodegradable product does not damage the environment if it is spilled. The place variable is another source of utility to consumers. Many times it involves transporting products to the location where they are demanded by consumers. In other cases, differentiation can be achieved by making products available in places where customers can easily pick them up. The critical function is to provide convenience, as perceived by customers.

Product differentiation based on actual use criteria may also be achieved through timing. For products such as potatoes, timing utility can be provided through storing the product. Using timing of delivery to differentiate a product is especially important for suppliers of highly perishable fresh produce. Based on climatic conditions, certain regions are able to supply fresh products during times when the dominant production regions cannot. The ability to be the sole supplier to a market during a period of the year provides a competitive advantage to production regions able to supply fresh produce before or after the primary season.

### **A Graphic Presentation of the Elements of Niche Marketing**

The preceding three sections described the elements of niche marketing strategies: a target market defined by common characteristics and product differentiation through intangible or actual criteria. Examples of each type of strategy were also given. These three elements can be combined to classify case studies and to unify terminology. To provide a greater understanding of the concepts involved, the elements may be presented as a three-dimensional matrix. (See Figure 2.) The purpose of the graphical presentation is to show how the constructs interrelate in the context of niche marketing strategy. The three-dimensional diagram has the following axes:

Axis 1: Customer Characteristics (e.g. Age, Income, etc.)

Axis 2: Specialization in Intangible Use Criteria

Axis 3: Specialization in Actual Use Criteria

The three dimensions of the exhibit represent potential strategic choices for firms engaging in niche marketing. According to the definition established at the beginning of this paper, niche marketing strategies must include market segmentation and product differentiation. Since the first axis represents the segmentation strategy, it must be used in all instances. In contrast, products may be differentiated through specialization in intangible use characteristics, actual use characteristics, or both. At a minimum, therefore, every potentially feasible niche marketing alternative must have a target market specified on Axis 1, and a means of differentiation specified on either Axis 2 or Axis 3.

The first axis, Customer Characteristics, will actually take on a more specific definition based upon the segmentation strategy selected by the niche marketer. If the Pillsbury lifestyle segments were used, for example, this axis would have five segments.<sup>3</sup> Alternatively, this axis could be defined according to some other segmentation strategy (e.g., age or income).

Axis 2 and Axis 3, which encompass product differentiation strategy, will also take on a more specific form once the means of differentiation is decided. Exhibit 2 depicts the simplest case, where location on each of these axes depends on whether the strategy does or does not have the differentiating attribute. In this case, if the differentiation strategy involves a special intangible use characteristic, then it will be classified in the 'Yes' section of Axis 2. The rating on Axis 2 will

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<sup>3</sup> One section to correspond to each of Pillsbury's categories of food consumers, referenced above.

depend on the degree to which the niche market is based on how the product is produced, the identity of the producer, or some other intangible use characteristic. If the strategy involves a special actual use characteristic, then it will be classified in the 'Yes' section of Axis 3. Specialization in actual use criteria corresponds with the degree to which the niche is established based on functionality, form, place, ease of possession, or time, as described above.

In the more general case, the second and third axes could be divided into more than simply 'Yes' and 'No.' For example, each of these axes could be divided into many segments based on some measurable categories or continuum of use criteria. The key point is that in order to be viable, a strategy must involve specialization in either intangible use criteria or actual use criteria, or both. Whichever differentiation method is chosen, decision makers must specify clearly how their product will be distinctive.

### **Examples of Agri-Food Niche Marketing Strategies and Their Place in the Niche Strategy Matrix**

An extensive literature review was performed to identify examples of niche marketing strategies in agri-food industries and potential (or suggested) niche markets. This review included key word searches in Agricola and Proquest, two electronic databases of academic and trade journal articles. A manual review of certain trade publications (i.e., *The Vegetable Growers News* and *Michigan Farm News*) whose articles are not cataloged in these electronic databases was also performed. A search of the Internet was also conducted using Alta Vista. In all cases, the focus was on identifying niche strategies for small- or medium-sized agri-food firms.

A total of forty-one (41) articles were identified that concern niche marketing strategies of agri-food firms. These articles are listed in Table 1. Twenty-five of the articles (61%) describe

actual cases of agri-food firms that have implemented niche marketing strategies, and the other sixteen (39%) discuss potential or suggested niche markets. The dates of publication range from 1980 to 2000. The articles' authors and dates of publication are given in the first column of Table 1. The agricultural or food product being marketed is listed in the second column. The niche target markets and the segmentation bases (or methods of segmenting the markets) are listed in the next two columns. The specific differentiating feature of the product being marketed and the general category of how product differentiation is achieved are also listed for each article. Specifically, whether product differentiation is accomplished through intangible use criteria, actual use criteria, or both, is indicated.

Some general comments should be made regarding the examples of actual firms described in these articles. Without exception, the marketers involved paid closer attention to the wants and needs of the market than typically occurs in commodity marketing. The plant industry agricultural producers involved in niche marketing tend to identify their target market prior to planting the crop, and they often contract the crop in advance. In general, they have closer contact with customers than is usual for commodity marketers.

The articles described a variety of methods to achieve product differentiation. In a large majority of the cases (25 or 61%), actual use criteria alone provided the basis for differentiation. Among these cases, 'quality' was the most common specific differentiating feature. This may be due to the relative emphasis placed on quality in recent years due to quality programs such as ISO certification. In contrast, the establishment of a recognized brand typically requires significant advertising expenditures. Other actual use criteria used to differentiate products were form and time. Intangible use criteria alone were used to differentiate products in five cases (12%). Specific types

of intangible use criteria mentioned included how the product is produced, regional identity, ethnic identity, and brand image. Finally, actual use criteria and intangible use criteria were used in combination to differentiate products in eleven cases (27%). This sample seems to suggest that relying on intangible use criteria alone for product differentiation is not a strategy pursued by many agri-food firms.

### **Types of Target Markets**

The most common basis for segmenting markets was geography. Among the articles that used geography, there were two distinct types of niche target markets: local buyers and consumers or importers in export markets. The most common type of niche target market specified was local buyers. This includes nearby retailers, specialty middlemen, restaurants, and consumers (e.g., tourists and patrons of farm/farmers' markets). Sixteen cases that target local buyers are listed in Table 1 (Part A). There are a number of reasons why local buyers are a promising niche target market. Their proximity facilitates timely delivery of perishable commodities. Lines of communication and trust are more easily developed and maintained between nearby parties. Finally, growers and other marketers can best take advantage of the positive brand connotations associated with regional identity by selling to local buyers.

One feature of niche marketing strategies targeted to local buyers that is apparent from Table 1 (Part A) is how frequently intangible use criteria are employed to differentiate products (6 of 16 cases, or 37.5%). In three cases, intangible use criteria alone are used to differentiate products. In three other cases, intangible use criteria are utilized in combination with actual use criteria to achieve product differentiation. One reason for this, alluded to earlier, is that local buyers are particularly receptive to a regional identity strategy.

Table 1 (Part B) lists the articles about strategies that use geography as the basis of segmentation where the target market is consumers (or importers) in export markets. The table indicates a difference between these cases and those involving local buyers. In niche marketing strategies involving export target markets, the application of intangible use criteria as a method of product differentiation is not as common. Table 1 (Part B) shows that specialization in intangible use criteria was the method of product differentiation in only three of the eleven cases involving export buyers. Further, intangible use criteria were only employed in combination with actual use criteria. One possible reason for this relates to the relative unfamiliarity marketers may have with buyers in export markets; and, marketers are thus reluctant to depend on intangible use criteria alone as a method of differentiation with export customers, or they believe that specializing in actual criteria is a less risky strategy.

Articles concerning consumers' demographic traits or group affinity<sup>4</sup> are listed in Table 1 (Part C). For the niche marketing strategies where demographic traits are used to define the target market, actual use criteria alone are employed to differentiate products in three of six cases. In contrast, intangible use criteria are utilized in both cases where group affinity is the basis of market segmentation. By definition, brand image is essential to effectively achieve product differentiation with this type of target market.

Agri-food marketers have used consumer preferences such as concerns about health, the environment, food safety, GMOs, or animal welfare, as the basis for market segmentation. Four cases of strategies that have target markets identified by these factors are listed in Table 1 (Part D).

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<sup>4</sup> For example, fans of Notre Dame and other universities and members of the Denver Zoo.

Two of these cases involve using how the product is produced to achieve product differentiation. The other two cases involve using the more common actual use criteria of form and quality to differentiate products.

Table 1 (Part E) lists articles concerning cases where the target market is a certain type of industrial buyer. Both intangible and actual use criteria may be used to differentiate products in such cases. Porter notes that industrial buyers tend to be more rational than consumers in their purchasing decision processes. This observation is confirmed by Table 1 (Part E). In certain cases, however, industrial buyers use raw materials to produce products for consumers with preferences for goods with a desirable intangible use characteristic ( e.g., clothing made from sustainably produced cotton). For these industrial buyers, it is imperative to purchase raw materials with the desirable intangible use characteristic if they are to serve the targeted consumer group. An intangible use characteristic for an end consumer thus becomes an actual use characteristic for an industrial buyer.

### **Summary and Conclusions**

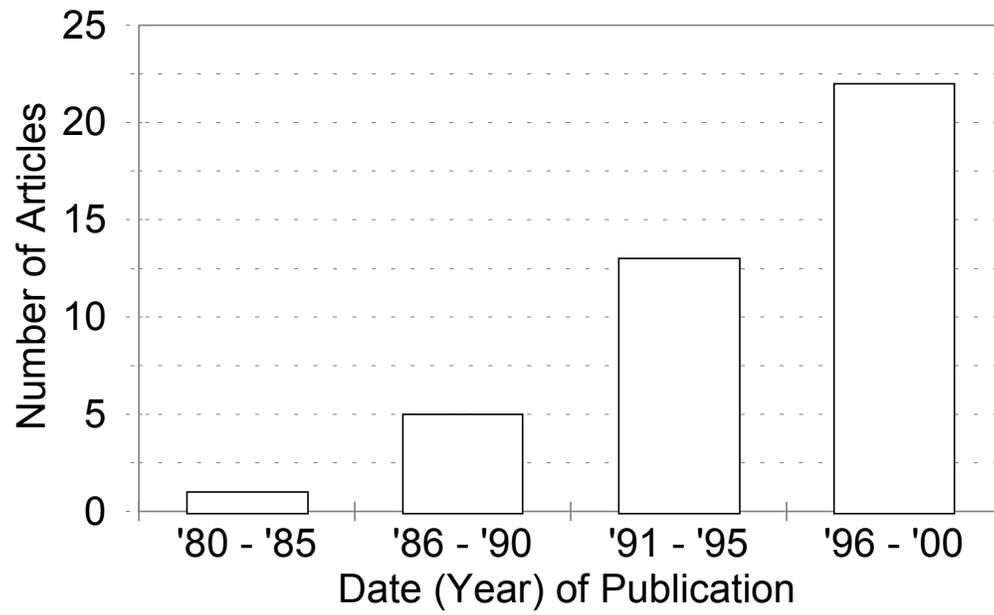
This paper examined agri-food niche marketing strategies involving both market segmentation and product differentiation. A strategy matrix to facilitate the identification of niche marketing alternatives was introduced in the paper.

Forty-one articles concerning agri-food niche marketing were identified and cited. Given the number of available articles, the topic is apparently significant and of growing interest in academic circles and the trade press. The articles were presented in groups based on the method used for market segmentation, and consideration was given to the distinguishing characteristics of each group of articles in terms of product differentiation strategy. The number of articles concerned with each method of specifying a target market may be summarized as follows:

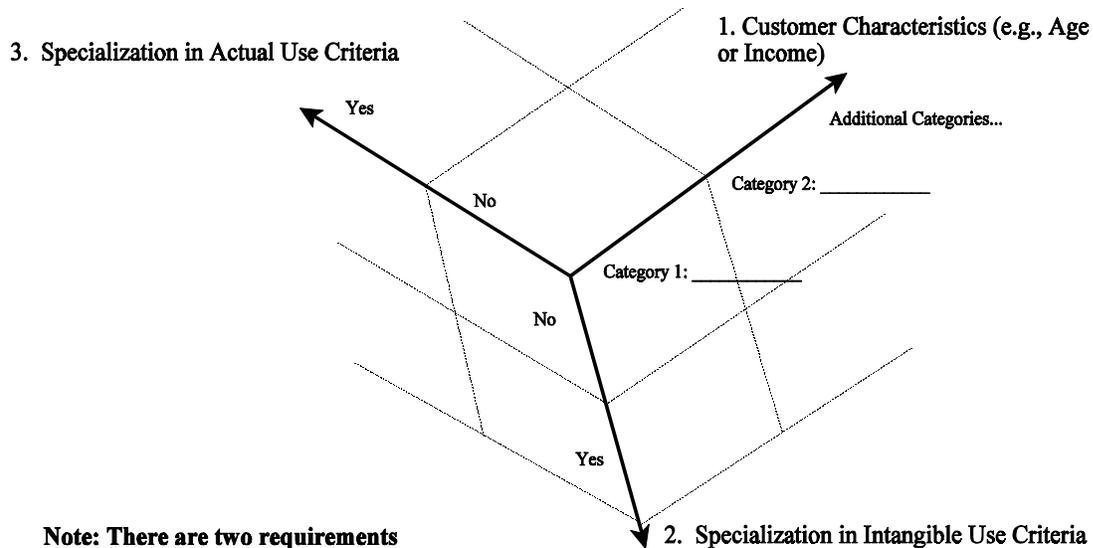
Geography, local	16
Geography, export	11
Demographic/group affinity	6
Health/safety preferences	4
<u>Type of industrial buyer</u>	<u>4</u>
<b>TOTAL</b>	<b>41</b>

The predominance of geography as a basis for defining a target market (27 of 41 cases, or 66%) is quite surprising. It is a relatively simple segmentation scheme compared to others that have been described. Since these articles discuss strategies of smaller firms, their lack of marketing resources may partially explain why such a simple method is used so frequently. The historical focus on commodity marketing in agriculture may also have served to limit the sophistication of agricultural firms in segmenting markets and differentiating products. The remaining one-third of the cases implies that opportunities exist for smaller agri-food firms to successfully develop and implement more complex niche marketing strategies. More work (research, educational programming, and technical assistance) is needed to help these firms to choose appropriate segmentation bases and differentiation approaches.

**Figure 1: Niche Marketing Articles**  
(by date of publication)



**Figure 2: Graphical Presentation of the Elements of Strategic Alternatives for Niche Marketing**



**Note: There are two requirements for a strategy to be viable.**  
**(1) A niche target market must be specified on Axis 1, and (2) Differentiation must be achieved through special intangible use and/or actual use characteristics.**

**Table 1 (Part A):** Agri-food niche marketing articles that use geography as the basis of segmentation, and local buyers are the target market.

					<b>Product Differentiation Achieved Through...</b>	
<b>Author (Year)</b>	<b>Product</b>	<b>Niche Target Market</b>	<b>Segmentation Base</b>	<b>Specific Differentiating Feature</b>	<b>Intangible Use Criteria</b>	<b>Actual Use Criteria</b>
Marin Agricultural Land Trust (1999)	Fresh Lambs, rBGH-free Milk, Cheese, and Wine.	Consumers in the San Francisco Region & Tourists	Geography	Regional Identity & How the Product is Produced	x	
Masiunas & Gerber (1990)	Organically Grown Produce	Restaurants in Chicago, Natural Food Stores and Cooperatives	Geography & Distribution Channel	How the Product is Produced	x	
Stumbos (1993)	Produce and Value-Added Products <sup>5</sup>	Local Consumers and Tourists	Geography	Regional Identity & Brand Image	x	
Acuff (1986)	Peaches	Local Residents	Geography	Quality		x
Brester (1999)	Specialty Wheat and Bread Products	Local Residents and Tourists	Geography	Quality		x
Estes (1996)	Special Apple Varieties	Independent Grocery Stores	Geography	Quality & Customer Service		x
Gentry (1999)	Edible Flowers, Herbs, Asian and Other Specialty Vegetables	Restaurants, Farm Markets, & Roadside Stands	Geography & Behavioral Traits	Quality		x

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<sup>5</sup> The following seasonal agricultural products are mentioned: berries, tree fruits and nuts, fresh flowers, specialty vegetables, pumpkins, and Christmas trees. Value-added products mentioned include: jams and jellies, dried fruit, apple pies, wreaths, and pot-pourri.

<b>[TABLE 1 (PART A), CONTINUED]</b>						<b>Product Differentiation Achieved Through...</b>	
<b>Author (Year)</b>	<b>Product</b>	<b>Niche Target Market</b>	<b>Segmentation Base</b>	<b>Specific Differentiating Feature</b>	<b>Intangible Use Criteria</b>	<b>Actual Use Criteria</b>	
Gentry (2000a)	Heirloom Tomatoes	Farmers' Market Patrons	Geography & Behavioral Traits	Quality		x	
Gentry (2000b)	Cut Flowers, Tomatoes, Sweet Corn, & Melons	Patrons of Farmers' Markets & Roadside Stands	Geography & Behavioral Traits	Quality		x	
Gentry (2000c)	Unusual Varieties of Peppers	Farm Market Patrons & Grocery Stores	Geography & Behavioral Traits	Quality		x	
McCallum (1999)	Vegetables	Brokers & Processors	Geography	Time & Quality		x	
Starkey & Carberry-Long (1995)	Traditional Varieties of Apples	U.K. Consumers	Geography	Quality		x	
Wheeler (1999)	Locally Grown Produce	Residents of New Orleans	Geography	Quality		x	
Bastian & Menkhaus (1997)	Lean Beef	Local Residents	Geography	Regional Identity & Form	x	x	
Duffey (1989)	Quality Cheese	Retail Stores & Tourists in the Northeastern U.S.	Geography	Regional Identity & Quality	x	x	
Shannon (1998)	Wine, Fish, & Herbs	Consumers in Southwestern U.S. & the Cosmetic, Culinary, Floral, Industrial, and Medicinal Industries	Geography & Type of Industry	Quality & Regional Identity	x	x	

**Table 1 (Part B):** Agri-food niche marketing articles that use geography as the basis of segmentation, and consumers (or importers) in one or more export markets are the target market.

					<b>Product Differentiation Achieved Through...</b>	
<b>Author (Year)</b>	<b>Product</b>	<b>Niche Target Market</b>	<b>Segmentation Base</b>	<b>Specific Differentiating Feature</b>	<b>Intangible Use Criteria</b>	<b>Actual Use Criteria</b>
Davis (1993)	Empire Apples	U.K. Retail Chains	Geography	Quality & Time		x
Fullelove (1989)	Asparagus	Importers in the Northern Hemisphere	Geography	Time, i.e., Seasonality		x
Jaais, <i>et al</i> (1994)	Palm Oil as a Soap Ingredient	Soap Manufacturers in Algeria	Geography	Functionality		x
Jakobeit (1995)	Cocoa	International Importers	Geography	Quality		x
Richmond (1995)	Deli Meats	Yuppies & U.S. Expatriates in Singapore	Geography, Age, Income, & Nationality	Quality and Form		x
USDA-FAS (1992)	Fruit Juices, Canned Vegetables & Fruits, Nuts, Vegetable Oils, Flour, Cake Mixes, Breakfast Cereals, Rice, Snack Foods, Canned Meat & Fish, Soft Drinks, Beer & Wine	Gabonese Importers	Geography	Form & Quality		x
USDA-FAS (1994a)	Alligator Meat	Consumers in the U.K., Taiwan, Singapore & Russia	Geography	Quality		x
USDA-FAS (1994b)	U.S. Asparagus	Swiss Importers	Geography	Time		x

[TABLE 1 (PART B), CONTINUED]					Product Differentiation Achieved Through...	
Author (Year)	Product	Niche Target Market	Segmentation Base	Specific Differentiating Feature	Intangible Use Criteria	Actual Use Criteria
Thornburn (1997)	Traditional Asian Drinks	Asian Consumers	Geography	Quality & Ethnic Appeal	x	x
Habenstreit (1998)	Kosher Foods	Jewish consumers, Muslims, Seventh-Day Adventists, vegetarians, & lactose-intolerant consumers. Geographic areas specified include Belgium, Canada, Costa Rica, France, Mexico, the Netherlands, Venezuela, Brazil, Austria, Chile, New Zealand, & Spain.	Geography, Religion & Medical Condition	How the Product is Produced and Ethnic Appeal	x	x
USDA-FAS (1989)	Branded Food Products	European Yuppies	Geography, Age, & Income	Brand Image & Quality	x	x

**Table 1 (Part C):** Agri-food niche marketing articles that use consumers' demographic traits or group affinity as the basis for market segmentation.

					<b>Product Differentiation Achieved Through...</b>	
<b>Author (Year)</b>	<b>Product</b>	<b>Niche Target Market</b>	<b>Segmentation Base</b>	<b>Specific Differentiating Feature</b>	<b>Intangible Use Criteria</b>	<b>Actual Use Criteria</b>
Battell (1998)	Farm-raised Fish	Japanese Expatriates	Nationality	Quality		x
Hui & McLean-Meynsse (1996)	Specialty Meats	Varies by Specific Product <sup>6</sup>	Demographic and Socio-economic Factors	Quality		x
Moore (1980)	Barley Snacks	Households with Children	Household Composition	Form & Quality		x
Amire (1998)	Licensed Candy Products	Fans of Specified Universities	Group (University) Affinity	Brand Image & Customer Service	x	x
Jain (1994)	Specialty Beers	Yuppies	Age & Income	Brand Image & Quality	x	x
Wilson (1998)	Trademarked Compost Products	Denver Zoo Members, Landscape Architects, & Small Nurseries	Group (Organizational) Affinity, Type of Industry & Distribution Channel	Brand Image & Quality	x	x

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<sup>6</sup> “For goat meat, the target market should be males, non-Catholics, non-white population, those with above highschool education, or Texas residents. Males, blue-collar population, or those with lower household incomes and lower levels of education are most likely to buy rabbit meat. For quail meat, males, white population, retirees, or those with higher household incomes, smaller households, or higher levels of education should be target markets.” (Pg. 55).

**Table 1 (Part D):** Agri-food niche marketing articles that use health/safety preferences as the basis for market segmentation.

					<b>Product Differentiation Achieved Through...</b>	
<b>Author (Year)</b>	<b>Product</b>	<b>Niche Target Market</b>	<b>Segmentation Base</b>	<b>Specific Differentiating Feature</b>	<b>Intangible Use Criteria</b>	<b>Actual Use Criteria</b>
Batie (1998)	Non-GMO Agricultural Commodities	Health- or Environmentally-Conscious Consumers	Health/environmental Preferences	How the Product is Produced	x	
Fox (1995)	bST-Free Milk	Consumers With Food Safety, GMO, and Animal Welfare Concerns	Food Safety, GMO, and Animal Welfare Preferences	How the Product is Produced	x	
Lutz (1996)	Pulses	Health-Conscious Consumers	Health Preferences	Form		x
Wilkinson (2000)	Food Products Made from Grain	Health-Conscious Consumers	Health Preferences	Quality		x

**Table 1 (Part E):** Agri-food niche marketing articles that use type of industrial buyer as the basis for segmentation.

					<b>Product Differentiation Achieved Through...</b>	
<b>Author (Year)</b>	<b>Product</b>	<b>Niche Target Market</b>	<b>Segmentation Base</b>	<b>Specific Differentiating Feature</b>	<b>Intangible Use Criteria</b>	<b>Actual Use Criteria</b>
Bastian, <i>et al</i> (1999)	Malt Products	Small Breweries	Size of Brewery (Type of Industry)	Form & Quality		x
Vincent (1998)	Mint	Toothpaste & Chewing Gum Producers	Type of Industry	Quality		x
Allen, W. (1994)	Sustainably Produced Cotton	Suppliers to Upscale Clothing Retailers	Distribution Channel	How the Product is Produced	x	x
Kazmierczak & Bell (1995)	Lambs	Specialty Middlemen; Islamic, Jewish, & Orthodox Consumers	Distribution Channel & Ethnic Group	Regional Identity, How the Product is Produced, Form & Quality	x	x

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