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of the
Department of Agricultural Economics

Purdue University
Lafayette, Indiana

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PRODUCING FOR A MARKET
Dr. R. E. Wilson-Agricultural Economist
Purdue University

It is no longer true that the market will take everything. We are in a rich "affluent" society where buyers are choosy and market requirements are changing rapidly. The market will take what it wants and not what the farmer thinks it wants or what he likes to produce.

Farmers have traditionally used the "production approach" where they get equipment, land and buildings and produce what is customary in their area. Usually they have done this with good reason for that type of farming has been proven by hard experience.

This is in contrast to the "market approach" of the non farm businessman who looks at what the market wants and then tries to put together the "package" including equipment, land and buildings that will supply not what he wants, but what the market wants. He does this because he has learned that this is the way he can make the most in our consumer oriented economy where the consumer calls the tune. True, he often has more flexibility than the farmer. The changes a farmer can make are limited--a Kansas wheat farmer wouldn't have any luck raising oranges in southwest Kansas. But, with today's "mass" buyers and merchandisers and the resulting "specification" buying and greater industry coordination, farmers are producing for a market, not for the market, and need to adjust to changing market demands to survive.

An example of changing markets and survival in the broiler industry. Yesterdays chickens went to market in a farmers flivver. Not long ago, local processors were still sending New York dressed birds to food stores. It was a small scale operation. Today it is one of our great mass production success stories. Broilers are a greatly improved product over what they were 10 years ago. They are one of the bargains in good eating today. This industry success story was made possible by giving the consumer a desirable product--plump, juicy, clean, ready-to-cook birds at reasonable prices. Improvements in production and processing are increasing efficiency. Birds are clean and protected through marketing channels to preserve their quality. Broilers are available at anytime of the year, cleaned, wrapped, and ready-to-cook. They are a far cry from yesterdays New York dressed birds. As a result of being market oriented and giving the consumer what she wants, the industry has grown. Per capita, consumption of chicken on a ready-to-cook basis has increased from fourteen pounds in 1940 to 29 pounds in 1960. New York dressed birds are a thing of the past.

Buyers have changed. Today we have relatively few of them and they are "large" ones. They distribute in regional, national, and in some cases international markets. Supermarkets--food stores doing \$375,000 or more gross sales annually--are doing over 3/5 of the total U. S. grocery stores sales. Buyers for these stores are getting large quantities of farm products for many similar stores. These buyers require large quantities of uniform quality food products. To them this means ease in buying and handling. It means they can price the broiler or other product the same in each store. They can prepare one advertising program that can be used for all the stores in their district. Most important, the product will sell and selling keeps them in business. Similar conditions exist for buyers of many other agricultural products than broilers.

Since today's "large" buyers are buying great quantities of food products of a certain kind, in a specified form, for specific purposes, they have developed "specification buying" where they buy products according to their individual requirements. They often buy direct from producers and buy where they get the best package whether it is in the midwest or elsewhere. This has forced farmers to develop "specification production"--producing a certain kind, amount, volume and type of product for a certain buyer. Often the product has a home before it is started, especially in the broiler area. Farmers are increasingly producing for a market.

The trend toward increasing size is apparent in several of our agricultural marketing industries. It is expected to continue. As it does, there will be more specification production and buying and farmers will do well to take the market route -- "I'll produce what the market wants"--instead of the old approach--"I'll produce what is traditional". By studying what the market wants, his abilities and his resources, he will combine them where profitable to produce for a market. There are risks in getting tied to one of a few buyers, but there are also advantages that may outweigh the disadvantages.

"Mass" buying and merchandising with its resulting specification production and buying is here to stay and the market approach -- producing what the market wants--is good business in today's consumer oriented economy.