

Study reveals farmers' buying preferences, concerns

April 3 2014, by Megan Sheridan

Agribusiness leaders nationwide can use results from a new Purdue University study to help them become more successful by understanding their farmer customers better.

The Large Commercial Producer Survey, conducted every five years by the Center for Food and Agricultural Business, explores the concerns, preferences, behaviors and attitudes of U.S. farmers and ranchers. This year's [survey](#) is based on results from nearly 1,700 producers.

"Our goal is to help agricultural producers and agribusinesses reach higher levels of success," said Mike Gunderson, Purdue professor and associate director of research at the center. "Armed with information and insights about their farmer customers, agribusinesses can create new business strategies based on what their customers value. That approach results in more effective partnerships with key clients."

Started in 1998, the survey focuses on corn/soybean, wheat/barley, cotton, fruit/nut/vegetable, dairy, hog and [cattle producers](#) across the U.S.

From this year's survey, Gunderson led the center's research team in condensing more than 400,000 data points into four categories - producer strategy, loyalty, buying preferences, and information and the salesperson.

Gunderson said the team, consisting of Purdue agricultural economists,

included questions about "how producers think about the strategies that make them successful, what amount of time it takes to implement those strategies, and what worries them at night." Farmers answered questions about five strategies: managing production, managing people, controlling costs, spending time marketing their output, and controlling land, equipment and facilities.

"We found it interesting that what farmers think makes them successful and what they actually spend their time focusing on are not always the same," Gunderson said.

The team also studied farmer loyalty across different products - seed, crop protection, feed and nutrition, animal health, fertilizer and capital - at the brand and local dealer/retailer level. They used the same products to evaluate buying preferences based on three attributes: price, performance and relationship.

The role of information and salespeople has long been included in the annual survey. This version reflected changes in Internet-based technologies, including the addition of questions about social media, email and text messaging. The team looked at how the importance of different media, information sources, salesperson activities and salesperson attributes affected producers' decision making.

More information: Study results are available online:
www.agecon.purdue.edu/cab/lcpproducts

Provided by Purdue University

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