

IDEA



Direct Marketing Lamb to Niche and Ethnic Markets

Initiative for the Development of Entrepreneurs in Agriculture

Andrew Larson
Evelyn Thompson

Introduction

Lamb accounts for 93-96% of total U.S. sheep meat production (see Table 1 for the differences between types of lamb and mutton). In 2001 and 2002, weighted average retail prices of domestic lamb were \$4.28 and \$4.33 per pound, respectively (O'Dell et al.). Direct marketing of agricultural products is one strategy for producers to capture a larger portion of consumers' food dollars by eliminating commissions and fees for middlemen who provide services along the conventional food supply chain. It is especially useful for producers with small flocks (Kazmierczak & Bell). However, the decision to market directly requires a producer to "know thyself" and "know thy market." This publication will deal with the direct marketing of lamb to ethnic and religious markets, including cultural preferences and times of high demand.

Table 1. Classifications of Sheep Meat

Type of Sheep Meat	Animal Description
Baby/Hothouse Lamb	Milk-fed, <10 weeks old, <20 lbs
Spring/Easter Lamb	Several months old, 20-40 lbs
Lamb	5-12 months old
Yearling/Hogget	1-2 years old
Mutton	>2 years old

Source: Hormel Foods

Are You a Direct Marketer?

The first and foremost consideration with direct marketing is deciding whether or not a producer has the patience and disposition for the intensive management, aggressive marketing tactics, and extensive customer interaction that come along with it. Although it may be appealing to move from the role of 'price-taker' to that of 'price-maker', the lamb producer must also be prepared to personally provide or contract for services that would normally be rendered by middlemen, including slaughtering, breaking, packaging, storing, transporting, and promoting the product (Kazmierczak & Bell).

Even the most independent producer must keep in mind that it is not easy to eliminate every middleman. For example, only meat for personal consumption can be slaughtered and processed on-farm. By law, all meat products for retail sale must be slaughtered and processed at a meatpacking facility inspected and licensed by the state or federal government (federal inspection is required for meat sales across state lines). Such a facility can be built on-farm, but smaller producers without the volume or

capital to pursue this strategy generally opt to contract for custom slaughter with a nearby plant that can produce a consistent, high-quality product.

Above all, the successful direct marketer is an astute and tireless salesperson that is never too modest or aloof. A producer must explain what makes his or her lamb superior, be it breed, nutrition, quality of life, freshness, or a government-sponsored designation like "Certified Organic" that adds value to the product. In this time of raised consumer awareness regarding health and where food comes from, producers ought to sell their practices, their persona, and their farm as diligently as they sell their lambs. One should actively seek feedback to learn about customer preferences, even following up on lamb sales to ensure satisfaction (Kazmierczak & Bell). A direct marketer must be willing to adapt production to demand, but it helps to anticipate customer desires and expectations before the marketing even begins.



Religious Markets for Lamb

There are a number of religious celebrations throughout the year for which lamb is a traditional part (see Table 2 for dates and types of lamb desired). As a matter of fact, religious and ethnic niches account for much of the total U.S. consumption (Jones), but a lamb producer must be prepared for the nuances that come along with marketing directly to religious niches. For instance, both price and supply of slaughter lambs tend to peak in the second quarter due to increased demand around the Easter and Passover holiday season (O'Dell et al.), but Western/Roman Easter and Eastern/Greek Easter may occur as much as a month apart, depending on the year. Marketing savvy is especially necessary when selling to Jewish and Muslim customers because they are frequent lamb consumers with specific dietary laws for which special

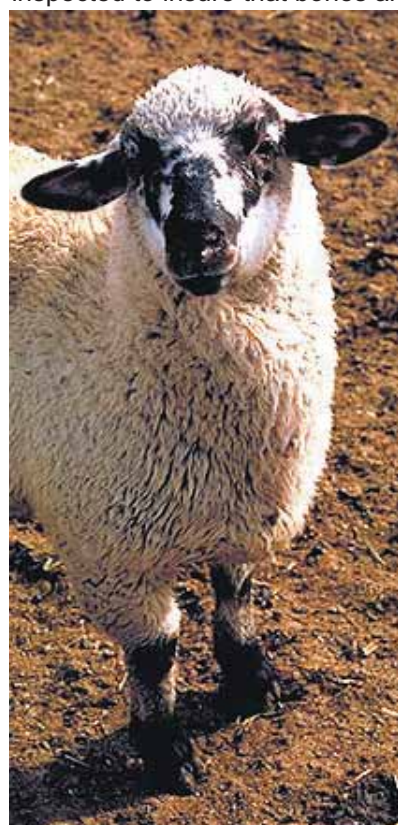
Table 2. Religious Holidays that Call for Lamb

Holiday	Religion	2005	2006	2007	2008	2009	Type of Lamb Wanted
Eid al Adha begins (Festival of Sacrifice)	Muslim	21-Jan	10-Jan	31-Dec	20-Dec	9-Dec	60-80 lbs
Passover begins	Jewish	24-Apr	13-Apr	3-Apr	20-Apr	9-Apr	30-55 lbs, milk fed and fat
Western/Roman Easter	Christian	27-Mar	16-Apr	8-Apr	23-Mar	12-Apr	30-45 lbs, milk fed and fat
Eastern/Greek Easter	Orthodox	1-May	23-Apr	8-Apr	27-Apr	19-Apr	40-55 lbs, milk fed and fat
Rosh Hashanah begins	Jewish	4-Oct	22-Sep	12-Sep	29-Sep	19-Sep	Forequarters from weaned lambs, 60-110 lbs
Ramadan begins (Month of Fasting)	Muslim	4-Oct	24-Sep	13-Sep	2-Sep	22-Aug	60-80 lbs
Eid al Fitr (Ramadan ends)	Muslim	3-Nov	24-Oct	13-Oct	2-Oct	21-Sep	60-80 lbs
Christmas	Christian	25-Dec	25-Dec	25-Dec	25-Dec	25-Dec	milk fed

Sources: Penn State Cooperative Extension, West Virginia University, Barbados Blackbelly Sheep Assn. International, Northeast Sheep & Goat Marketing Program, and the Interfaith Calendar

arrangements must be made.

People of the Jewish faith who keep a *kosher* diet have specific requirements for animal slaughter and meat consumption. Ruminants with cloven hooves, like lambs, must be killed by a specially trained slaughterer under rabbinical or special agency supervision. The animal's throat must be quickly slit with a perfectly honed knife and be allowed to drain completely of blood. The carcass is inspected to insure that bones and organs are completely



intact and that the lungs are free of abnormal tissue growth. The sciatic nerve, as well as certain fatty tissue and blood vessels, must be removed for the meat to be kosher, but due to the difficulty of this process many kosher Jews avoid the hindquarters of the animal altogether (Kazmierczak & Bell, Regenstein & Chaudry).

Muslim ritual slaughter, or *halal* slaughter, involves minimizing stress to the animal, turning its head towards Mecca, and speaking the *basmala* prayer (Kazmierczak & Bell). The throat is then slit and the blood thoroughly drained

from the carcass, as in kosher slaughter. Muslim holy days occur approximately eleven days earlier each Western year because the Islamic calendar, or Hijri. It is based on lunar cycles rather than solar cycles. Thus, lamb producers must be diligent in keeping track of this shift and having the lambs ready 7-10 days prior to the holiday (O'Dell et al.). Lambs that are blemished or very fatty may be discriminated against. Muslim customers may ask to perform the ritual slaughter at the farm on the designated day, so producers must decide whether or not to accommodate this type of request with the necessary space and equipment.

Places of worship may seem like logical marketing targets when trying to find religious holiday customers, but be sure to exercise a lot of tact when dealing with a culture that is unfamiliar. People often place a great deal of reverence in their place of worship and will not look kindly upon presumptuous advertising tactics. Talking to the head of the worship community and/or a sampling of its members will likely help determine the most appropriate way to publicize products and services a producer can offer, as well as creating an opportunity to learn more about lamb demand and preferences. Word-of-mouth advertising can be quite effective in close-knit communities, but news of a faux pas will also travel fast.

Ethnic Markets for Lamb

Lamb consumption is not only associated with religions, it is also a staple food among people from specific parts of the world, especially those of Middle Eastern, African, Latin American, or Caribbean origin (Jones). Lamb is also very popular among Greeks and Basques (Kittler & Sucher). The typical lamb consumer is an older, relatively well-established ethnic minority from a metropolitan

area (Jones) who may be purchasing the lamb for fresh use or long-term freezer storage (see Table 3 for lamb size preferences of selected markets and Table 4 for weight and space requirements for dressed lamb). When determining where to begin,

it may be useful to find concentrations of specific races or immigrant populations in nearby townships, counties, and metropolitan areas. With a little practice, online tools like the U.S. Census Bureau's American FactFinder at <http://factfinder.census.gov/> or the University of Illinois' MarketMaker at <http://www.marketmaker.uiuc.edu/>, can help provide useful demographic information.

Aside from religion, the lamb producer must be prepared to deal with other cultural differences when marketing lamb directly to foreign-born customers, especially when doing so from the farm. If customers are used to choosing from a selection of products, a producer may be wise to separate "for sale" livestock from breeding animals so as not to have to repeatedly reject customers' choices. It is entirely possible to encounter customers that are accustomed to haggling over prices (Kazmierczak & Bell). Depending on personal disposition, a producer may or may not choose to take part in such negotiations, but those who choose not to ought to have a set price for all their customers and develop a clear, convincing argument about prices of production, living wage, etc., so customers do not come away feeling cheated (Stanton). Customers who feel this way will substitute less expensive items or even other meats.

Another possible route for reaching ethnic niche markets is marketing directly to specialized restaurants and food stores that cater to particular populations. Marketing to retail food establishments of any kind require diplomatic interactions with their meat buyers and a patient eagerness to please. Retail food businesses generally have conventional supply chains through which they acquire their meat, so a small producer must have a strategy for product differentiation, perhaps touting the quality benefits and sales potential of fresh, local, family-farmed, humanely-raised, natural, or organic lamb. Demonstrations of enhanced cooking quality, tenderness, or taste may also be convincing. In short, the buyer simply must be able to anticipate the payback for the

Table 3. Lamb Live Weight Preferences for Selected Markets

Market	Weight Preference
Italian	35-45 lbs
Greek	45-60 lbs
Muslim	60-90 lbs
Restaurant	80-100 lbs
Freezer Lamb	100-120 lbs
Kosher*	100-125 lbs
Wholesale	120+ lbs
*use forequarters only	

Sources: Northeast Sheep & Goat Marketing Program and West Virginia University

extra expenditure of time and money to deal with another supplier.

Primary research in Chicago has shown that some cultures have specialty stores operated by their own people that tend to be the first stop for certain items. For instance, some authentic Mexican markets will carry steamed lamb, leg of lamb, and stew meat. Greek shops will carry high-quality whole lambs for special feast days like Greek Easter, as well as leg of lamb, roasts, chops, and stew meat that may be pre-cut or prepared on demand by a butcher. Pakistani and other Middle Eastern shops that sell meat will carry halal lamb, which will often bring in customers of any nationality that is predominantly Muslim. Baby lamb, regular lamb, and mutton are all available and usually custom cut, with price having a major influence on purchase decisions. Bones, heads, organs, and variety meats are also available.

When such dedicated ethnic stores are not present or convenient in Chicago, people will often shop at large produce stores that devote most of their space to fresh fruits and vegetables, meat, cheese, bakery, and deli items. These large produce stores will often cater to specific ethnic groups in their area and carry the cuts, quantity, and quality of lamb that the culture demands for their traditional dishes and means of preparation. For instance, produce stores that serve East



European communities, like Bosnians, Russians, and Poles, or Mediterranean communities, like Greeks and Italians, will carry a large variety of high quality lamb portions that may be pre-cut and packaged or available for custom cutting at a specialty counter. Produce stores that serve Latin American or African and Caribbean communities will often have lamb available, but usually with less variety or range of quality.

Marketing to restaurants and mainstream stores that serve ethnic communities is also a possibility, but small producers may find requirements like year-round supply, high volume of product, and restrictions on which cuts will be purchased overwhelming. This type of marketing frequently necessitates employees, inspected slaughter and processing, and specialized equipment like refrigerated trucks (Kazmierczak & Bell). Producers may be able to meet these scale and resource requirements by organizing and marketing lambs collectively (O'Dell et

Table 4. What to Expect from Freezer Lamb

Animal	Avg. Slaughter Weight	Avg. Dressed Weight	Avg. Usable Meat	Freezer Space Needed
Lamb	100-160 lbs	50-80 lbs	40-65 lbs	1.5 cubic feet
Baby Lamb	40 lbs	20 lbs	20 lbs	0.5 cubic feet

Source: Virginia Tech

al.). This requires intense cooperation among producers and careful coordination of genetics, breeding schedule, nutrition, and processing in order to market a consistent, quality product. Point-of-purchase branding and labeling are also good strategies for differentiating product in the retail marketplace (Kazmierczak & Bell).

Conclusion

If a lamb producer decides to put forth the effort to market directly to religious and ethnic niches, the key factor is to know the market. Marketing plans must be based on a thorough understanding of whom and where the customers are, their preferences for lamb, cultural distinctions, the overall demand for lamb, and how the producer is going to meet that demand in part or in full. Direct marketers must be capable of the extensive interpersonal communication and assertive salesmanship necessary to make the enterprise successful. They must also be prepared for a long learning curve and be willing to tailor their production to meet the needs of their customers. With this combination of forethought and flexibility, along with a bit of marketing savvy, lamb producers can develop a reputation for quality and customer satisfaction that will precede them and serve them well into the future.

Online Lamb Marketing Resource Centers

AgMRC, Agricultural Marketing Resource Center - Livestock Products Page for Lamb & Goat. Available at: <http://www.agmrc.org/lambgoats/lambgoats.html>

ASI, American Sheep Industry Association. Available at: <http://www.sheepusa.org/>

LMIC, Livestock Marketing Information Center. Available at: <http://www.lmic.info/>

Maryland Small Ruminant Page – Sheep & Goat Marketing. Available at: <http://www.sheepandgoat.com/market.html>

Northeast Sheep & Goat Marketing Program. Available at: <http://www.sheepgoatmarketing.org/>

Publications for Direct and Ethnic Meat Marketing

Alternative Meat Marketing. Holly Born for ATTRA, the National Sustainable Agriculture Information Center. Available at: <http://www.attra.org/attra-pub/altmeat.html>

Final Report of the West Virginia Lamb Marketing Information Project. Dwayne O'dell et al. for West Virginia Department of Agriculture. Available at: <http://www.ams.usda.gov/tmd/FSMIP/FY2001/WV0328.htm>

Goat and Lamb Holidays. Dr. & Mrs. Robert D. Herr for Penn State University. Available at: <http://bedford.extension.psu.edu/Agriculture/Lessons/Goat%20and%20Lamb%20Holidays.htm>

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For more information contact
Richard Knipe
 Phone: 309-792-2500
 Email: rknipe@uiuc.edu