

Marketing basics & biodiesel

Mike Orso

Associate Director

Association Business Team

Osborn & Barr Communications, Inc.

St. Louis

What is marketing?

- Organization function, processes
 - create, communicate value
 - manage customer relationships
- Importance
 - gets company/organization what it needs
 - creating, offering, exchanging products and services

We use research & integration

- Impact client goals & objectives
- Measurement through research
- Integrated marketing communications
 - Traditional
 - paid media
 - earned media
 - customer outreach
 - digital/Internet
 - Non-traditional
 - points of contact
 - viral
 - segmentation

Why marketing is necessary

- Heap of great products/services that never found success
 - lack of knowledge
 - don't suffer same fate
- Market strategically
 - create pricing, promotion, distribution methods
 - getting your goods to the people who want it

Customers

- Trends
- Acquisition, retention, defection
- Equity
- Technologically savvy

Competitors

- Information about alternatives
- Evaluate alternatives
- Brand awareness
 - yours
 - your customers

Identify competitive advantages

- Product
- Geographic coverage
- Breadth & depth of service
- Expertise, experience
- Price
- Marketing
- Brand image, awareness, loyalty

Competitive advantages: biodiesel

- Feedstock
- Cost
 - passing on the tax incentive
 - premium product
- Quality
 - BQ-9000
- Expertise on handling, use, storage
- Readily available supply
- Performance record
- Environmental benefits
- Health benefits

Do a SWOT Analysis

- Strengths
- Weaknesses
- Opportunities
- Threats
- Why?
 - what we can market
 - how we can position product
 - where we can go
 - what plan do we need for change

Examples of strengths, weaknesses

- Expertise
- Marketing
- Financial
- Relationships
- Staffing
- Reliability

Examples of opportunities, threats


- Competitive
- Environmental
- Technology
- Pricing
- Distribution
- Brand awareness
- Leadership

Partnerships stretch resources

- State soybean organizations
- USDOE Clean Cities Coalitions
- National Biodiesel Board (NBB)
 - Consumer research: January 2008
 - biodiesel awareness jumps 20 points
 - majority still unaware of specific benefits
 - 73% would use if possible
 - most important
 1. energy security
 2. environment
 3. health

Case study: United Soybean Board (USB)

- Strategy: maximize U.S. soy utilization
- Objective: achieve annual utilization of 3.5 billion bushels of U.S. soy
- Short-term emerging issue: soy biodiesel (Winter 2002)
- Research benchmark: 23% of U.S. soybean farmers use (Fall 2002)
- Initial focus: ask for and use soy biodiesel



SOY BIODIESEL.

You grow soybeans. Your soybean checkoff helps create soy biodiesel. And government and private-sector studies* show it yields results that benefit your engines, the environment and U.S. farmers.

ASK FOR IT.

Farmers are the second-largest consumers of diesel fuel. So when you request it, fuel suppliers listen. Just ask your supplier to carry B2, a two-percent blend of soy biodiesel. It's available throughout the United States, so why not ask for it and use it? If farmers don't, who will?

PUMP IT.

Using soy biodiesel on your farm is your key to increased fuel efficiency, reduced dependence on foreign oil and cleaner air – all things to be proud of.

PROFIT.

Government statistics* show that if every farmer used B2, we could utilize more than 50 million bushels of soybeans per year. Imagine the potential.

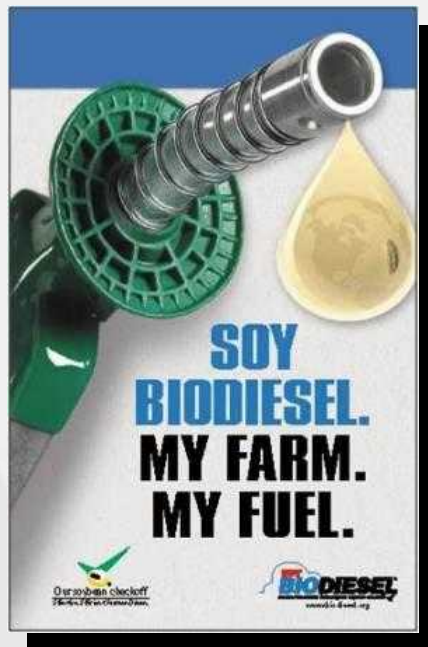
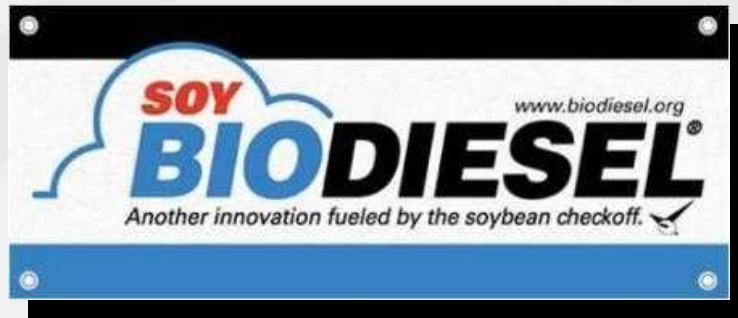
*www.usda.gov *engr.state.mn.us

Our soybean checkoff
helps create soy biodiesel.

SOY BIODIESEL
Helping America's Farmers Grow the Energy of Tomorrow

Join the Biodiesel Alliance at www.biodiesel.org

Case study: United Soybean Board (USB)

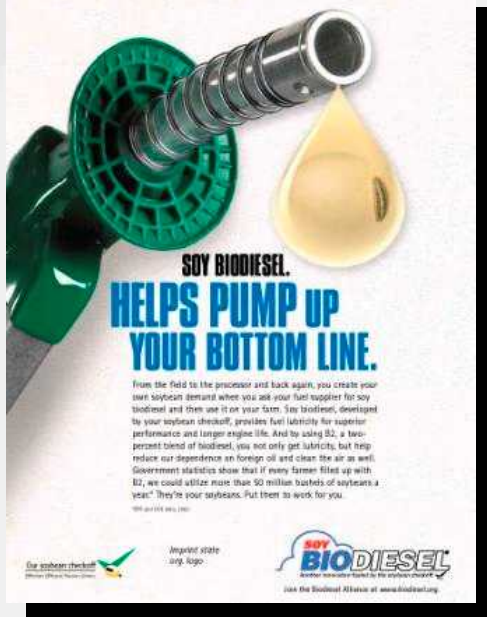


- Partnerships
 - state soybean checkoff organizations
 - Funding co-op program
 - consistent message
 - collaboration
- Support
 - media planning
 - event planning
 - support materials

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Case study: United Soybean Board (USB)

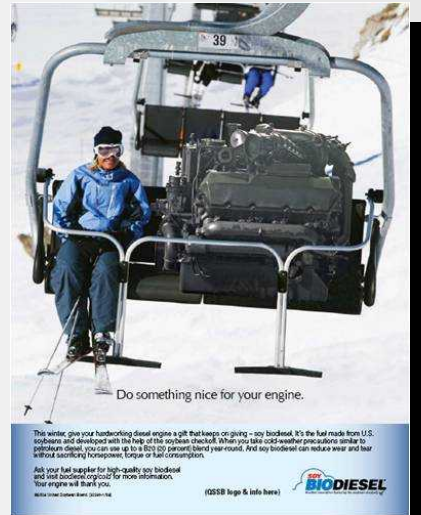


- Integrated campaign
 - paid media
 - print
 - radio
 - earned media
 - events
 - weave into existing activities
 - outreach
 - where the customer works, learns, plays

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Case study: United Soybean Board (USB)



- Campaign evolution
 - all diesel users
 - engine performance benefits
 - fuel quality 🌞 🌞
- From 23% to 50%



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Case study: it's not complicated



- Direct mail
 - six states
 - promote biodiesel benefits
 - gather data on customer use/interest
 - giveaways have rules
 - unusually high response
 - nearly 20% rate of return in one state

Conclusion: make marketing a priority

- Plan, plan, plan
- Consider, evaluate outside resource
- Find partnerships
- Research, measurement, evaluation is mandatory
- Find, stick with key message(s)

Mike Orso

Osborn & Barr Communications, Inc.

888/235-4332

orsom@osborn-barr.com