Pricing and Marketing Risk Management Education for Honey Producers

Beekeepers in the Northeast are a diverse group, ranging from small-scale beekeepers in rural Delmarva to large-scale operations in New Jersey and upstate New York, as well as urbanites in cities like Philadelphia. The Mid-Atlantic Apiculture Research and Extension Consortium (MAAREC) had conducted multiple surveys which consistently indicated that the financial viability of honey production is a key motivation for beekeepers, especially new and small-scale beekeepers. Additionally, the need for improved marketing strategies has historically been a priority for the two largest national honey producer organizations.

Because the ability of honey producers to appropriately price and market their product is vital to their financial success, an interdisciplinary team from the University of Delaware’s College of Agriculture and Natural Resources conducted a project to help beekeepers identify the best strategies for generating higher profit on their honey. Initially, a regional working group of 30 honey producers was formed to identify which labeling and product attributes are most important for the honey market. Utilizing experimental economics techniques, the project team then examined consumer willingness-to-pay behavior related to production location (local, regional or international), processing, and labeling. In the next stage of the project, the UD team and the Honey Producers Working Group employed the results to develop a curriculum on effective pricing and niche marketing strategies.

This educational material, including hands-on modules, was initially delivered to beekeepers in 9 locations within 6 states (Delaware, Maryland, Pennsylvania, New York, Maine and Kentucky). It was then disseminated to approximately 2,400 honey producers via interactive workshops and web-based materials, and continues to be available to thousands more producers across the United States through multi-media extension platforms. The project team also planned to assess changes in the financial viability of the initial participants, following their implementation of some of the pricing and marketing strategies.

“I learned that customers value additional information about honey origin, food safety and nutrition...(and) how label and container design impact sales/pricing.” – Delaware Beekeeper
“Educating America’s farmers and ranchers to manage the unique risks of producing food for the world’s table.”

Extension Risk Management Education (ERME) is delivered through four regional centers that provide grant funding and leadership within their regions.

Projects are producer-focused, results-based and encourage public-private partnerships. Funded projects must identify targeted results that will help producers manage risk and then describe how the project will measure those results.

Extension Risk Management Education has funded innovative programs that have generated tangible results for producers in every state. ERME is committed to funding results, providing transparent accountability, and encouraging collaboration. View the accomplishments of all funded projects on our website.
http://ExtensionRME.org