

**Final Report**  
**Grant # 791N0200078**  
**Submitted: January 31, 2011**

**Increasing Agri-Tourism:  
Partnership Initiative between the Michigan Farm  
Marketing Agri-Tourism Association  
and Michigan Apples**

**Submitted by:**  
Michigan Farm Marketing & Agri-Tourism Association  
**Amount Requested: \$30,000**  
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## **Project Title: Increasing Agri-Tourism: Partnership Initiative between the Michigan Farm Marketing Agri-Tourism Association and Michigan Apples**

### **Project Summary:**

This project allowed the Michigan Farm Market and Agri-Tourism Association (MI-FMAT) to join the Michigan Apple Committee (MAC) to obtain a targeted distribution of the *Michigan Farm Market & Agricultural Tourism* directory. MAC has been developing a Check Into Michigan Apples hotel apple program for the last three years. Its two goals were to 1) create a unique tourist experience by prompting guests to visit a local farm market; 2) encourage hotel/motel properties that serve breakfast, cater or have restaurants to source local Michigan apples.

The plan calls for targeting hotel properties with more than 100 rooms located in all parts of Michigan.

Joining forces, MI-FMAT and MAC and the state's hospitality industry could touch more potential agri-tourists coming to our state and help boost traffic to over 200 apple growing families who sell direct to the public.

### **Project Approach:**

The overall goal of this grant was to create an autumn partnership with the Michigan Apple Committee (MAC) and Michigan Farm Marketing Agri-Tourism Association (MI-FMAT) to boost agri-tourism visibility for farm markets – most of which sell apples in fall – while increasing Michigan apple sales to hotel properties. The hope was to 1) create a unique tourist experience by prompting guests to visit a local farm market through a targeted distribution of Michigan Farm Market & Agricultural Tourism directories and billboard placements; 2) encourage hotel/motel properties that serve breakfast, cater or have restaurants to source local Michigan apples.

The four-year-old program had a record number of participants this year: 410 hotel properties. This represents a 37.5 percent increase over previous years. Boost in participation is due largely to newly-negotiated partnership roles with leading food service suppliers Sysco-Grand Rapids, US Foodservice and Van Eerden Produce. These companies are distributing the apple/market directory packets to properties with over 20 rooms and a food service operation. Both US Foodservice and Van Eerden are new to the program. Commitment by all three foodservice organizations is unprecedented for Michigan associations and commodity groups, and was based on a successful track record. Meetings between Sysco and MAC in Fall 2010 were very positive, indicating the program will be even stronger in Fall 2011.

MI-FMAT distributed an additional 6,000 directories through this program directly to the tourists at hotel/motel properties in the state, above previous numbers. Typically,

distribution of MI-FMAT directories has been at Michigan Welcome Centers, Farm Bureau insurance offices, Michigan Department of Agriculture, Michigan State University Extension offices and legislative offices, with a total annual distribution of 80,000. MI-FMAT also provided each business 25 copies for their own use to promote their farm market/farmers' market.

Billboards purchased for the program this year were located along US 31 from Traverse City to South Haven. A total of 11 billboards were purchased with the grant for display September 6<sup>th</sup> through October 3<sup>rd</sup>, 2010. The billboards listed two websites and promoted four different fall crops at on-farm markets.



**New this year:** MAC exhibited at the Pure Michigan Governor's Conference on Mackinac Island in an effort to boost hotel participation in the program. A postcard was mailed prior to the conference to remind hotel/motel properties to stop by the booth and sign up for the program. Email recruitment in cooperation with the Michigan Lodging & Tourism Association was also done, resulting in the 410 hotel properties which will be the permanent client base for future programs.



Also new this year was the addition of the table tents displays featuring the billboard art, placed on the front desk of each of the hotel properties. This reinforced the consumers' billboard impressions, encouraging them to visit farm markets and sample the delicious produce and other foods.

While billboards, and especially directories and table tents are micro-targeted to travelers already in lodging properties, the basket of apples delivered at the beginning of the promotion encourages the property to source local Michigan-grown apples for healthy snacking, or in breakfast programs and restaurant business. Switching to a program where deliveries are made by the food service salesperson ensures someone will be there to take the re-order for Michigan Apples. Food service companies cited here have increased their offerings of Michigan apple product codes from about seven five years ago to about three dozen in Fall/Winter 2010!

The goals have been clearly met for this program and we consider the past year's program a success.

## **Goals and Outcomes:**

A boost to agri-tourism visibility and awareness by fall-color and other tourists, and increasing actual visits to farm market were two major outcomes. We indicated a plan to survey farm market properties that currently have a listing in the directory to determine whether they saw more traffic in their farm market because of the directory. We also committed to measure the number of lodging properties and the amount of directories distributed in the program.

- In November 2010 a survey was sent to all farm markets (200) using the Michigan Apple Committee's mailing list. We received 40 responses (20 percent). This information is very important to both of our groups for future planning of this and other programs.

While most farm marketers that responded stated they believe the program had a positive impact on their business, they were not convinced of the benefits from the billboards placed in West Michigan. This is not to say that the billboards were not a valuable component in driving traffic to these farm market businesses. However, whether visitors mentioned they saw something on a billboard to any employee that we surveyed at the farm market is a stretch.

Here are the results of the survey:

- Do you believe the Check In program in general has had a positive impact on your farm market business?
  - Strongly Agree – 12 percent (3)
  - Agree – 28 percent (7)
  - Somewhat Agree – 44 percent (11)
  - Somewhat Disagree – 4 percent (1)
  - Disagree – 8 percent (2)
  - Strongly Disagree – 4 percent (1)
- Did you experience an increase in traffic to your farm market in the years you were listed in the directory as part of the Check In program?
  - Strongly Agree – 9 percent (2)
  - Agree – 17 percent (4)
  - Somewhat Agree – 57 percent (13)
  - Somewhat Disagree – 9 percent (2)
  - Disagree – 4 percent (1)
  - Strongly Disagree – 4 percent (1)
- Do you believe this year's billboards helped increase traffic to your farm market?
  - Strongly Agree – 0 percent
  - Agree – 5 percent (1)
  - Somewhat Agree – 57 percent (12)

- Somewhat Disagree – 14 percent (3)
  - Disagree – 14 percent (3)
  - Strong Disagree – 10 percent (2)
  
- The survey also further asked about the farm marketers' businesses for future use in developing programs for this niche market. The modern consumer is no longer looking for information in printed materials. With cell phones, netbooks, tablets and MP3 players all internet accessible, it is time for this group to join the social media and app world.
  - How are your customers learning about your farm market? Circle all that apply.
    - Farm Market Directory – 19 percent (16)
    - Advertising – 17 percent (14)
    - Internet – 26 percent (22)
    - Word of Mouth – 29 percent (24)
    - Other – 6 percent (5)
    - GPS – 1 percent (1)
    - Phone App – 2 percent (2)
  
- 410 hotel properties participated in the program this year. While MI-FMAT didn't meet the goal of 600 hotel properties; this is a 37.5 percent increase in hotel property participation over previous years and is our largest participation to date. Six thousand directories were purchased in part by the Michigan Apple Committee and distributed to the hotel properties.

The program did help increase Michigan apple sales to Michigan hotel properties. Specifically, 2010 brought an estimated 10 percent increase in Michigan apples sold through foodservice channels.

- Three foodservice companies made deliveries this year. They were: Sysco – 168 deliveries; US Foodservice – 31 deliveries; and Van Eerden – 3 deliveries. This was the first time that US Foodservice and Van Eerden participated in this program.
- Sysco-Grand Rapids reported that they experienced an increase in sales and repeat orders with this program. They were unwilling to provide confidential sales numbers, but reported their Michigan apple sales had doubled (100 percent) from 2009 to 2010. This is doubly impressive due to the fact that 2009 was one of the largest crops ever for Michigan, and 2010 was one of the smallest.
- Sysco-Grand Rapids has already met with MAC staff to discuss the program for next year and see how they can improve deliveries. This is a great commitment from Sysco and shows that the program is increasing sales for their company.

This program did elicit continued support and/or working relationship with the organizations that are already endorsing this effort.

- Endorsements for the program this year were:
  - Michigan Association of Festivals & Events

- Michigan Culinary Tourism Alliance – **New!**
- Michigan Department of Agriculture
- Michigan Farm Market and Agri-Tourism Association
- Michigan Lodging & Tourism Association – **New!**
- SW Michigan Tourist Council – **New!**
- Travel Michigan/Michigan Economic Development Corporation
- UP Tourism Association – **New!**
- West Michigan Tourism Association

Increase in the overall visibility of Michigan-grown apples and direct sales of Michigan apples at farm markets.

- While no direct sales to hotel properties from farm marketers were reported, 83 percent of those surveyed did report that they agreed (from somewhat to strongly) that the program did increase traffic to their farm markets.
- MI-FMAT membership has risen 3 percent from 2009 to 2010. Michigan Apple Committee paying for memberships in this directory for farm marketers in “good standing” is a huge boost to membership.

In order to deliver on the outcomes presented in the grant, we needed to develop a work plan. Entirety of this program occurred in 2010. Below is the timeline of the work accomplished during the grant period.

- January 2010
  - Assist with orchard recruitment for 2010 Farm Market & Ag Tourism Directory.
- March 2010
  - Work began on the hotel property list and contact with foodservice organizations.
- April 2010
  - A letter was delivered to hotel properties inviting them to join the program.
  - Postcard mailing to all previous participants of this program asking them to stop by the booth at the Pure Michigan Conference. Email blast by Michigan Lodging & Tourism Association.
- May 2010
  - Exhibited at the Pure Michigan Conference to boost registration to the program with hotel properties.
  - Coordinator contacted hotel properties again.

- July 2010
  - Table tents and billboards were designed and made ready for printing and placement for September 2010.
- August 2010
  - Supplies for the program were purchased
- September 2010
  - Personal delivery of apples and directories to the hotel properties by the coordinator and food service organizations.
- October 2010
  - Follow-up survey to participating hotel properties and farm markets.
- December 2010
  - Final report of program to Expo growers and in *The Apple Press* (MAC newsletter)

### **Beneficiaries:**

The 900 Michigan apple growing families in the state benefited from this marketing campaign, from the commercial growers supplying the foodservice companies to the small farm market selling direct to tourists or hotels.

Michigan farm markets are the face of the apple industry. The increase in sales garnered from this marketing project benefited apple growers, their families, employees and suppliers. It would also encourage healthy snacking by hotel guests.

Helping travelers and tourists find farm markets close to their hotel or travel route, could have increased visits and sales at farm markets –especially smaller markets with no billboard or mass media presence–during the key marketing period. However, the farm markets surveyed did not necessarily hear back whether the billboards increased traffic to their business from consumers. This specific targeting of people who are already traveling in the area, but may be unaware of agri-tourism potential represented cost-effective niche marketing for MI-FMAT.

### **Lessons Learned:**

In the future, the groups plan to continue the program in a new way. Having all deliveries made by the foodservice companies in the future seems to be the way for this program to succeed.

While billboards, and especially directories and table tents are micro-targeted to travelers already in lodging properties, the basket of apples delivered at the beginning of the

promotion encourages the property to source local Michigan-grown apples for healthy snacking, or in breakfast programs and restaurant business. Switching to a program where deliveries are made by the food service salesperson ensures someone will be there to take the re-order for Michigan Apples.

**Contact Person:**

Michigan Farm Marketing & Agri-Tourism Association

Steve Tennes, President

Val Vail-Shirey, Executive Director

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517-484-3912

E-Mail: [mifmat@gmail.com](mailto:mifmat@gmail.com)

**Budget/Expenses**

Grant Category	Original Budget	New Budget	Actual Expenses	Explanation
Travel	\$2,250.00	\$593.14	\$593.14	Contractor Travel
Supplies				Baskets, Labels, Holders, Tents
Baskets, etc.	\$4,000.00	\$4,735.80	\$5,094.92	Postcard design & printing
Mailings	\$1,250.00	\$1,250.00	\$890.88	Apples (Riveridge)
Apples	\$4,000.00	\$5,000.00	\$5,000.00	
Staff	\$5,000.00	\$4,000.00	\$4,000.00	Contractor Retainer
Other				Apple Shipping (Riveridge)
Shipping	\$2,500.00	\$3,421.06	\$3,421.06	Billboards
Billboards	\$11,000.00	\$11,000.00	\$11,000.00	
<b>Total</b>	<b>\$30,000.00</b>	<b>\$30,000.00</b>	<b>\$30,000.00</b>	
Match - Actual	\$10,000.00		\$2,020.88	Directories
			\$7,900.00	Listings
			\$1,200.00	Directory Ad
			\$500.00	Directory Cover
			\$1,276.31	Apple Gift Boxes - Undeliverable
			\$825.00	Billboard Buy
	\$10,000.00		\$13,722.19	

A budget reallocation was requested and approved by Mike DiBernardo, MDA. We did have one additional change to the expense of “Mailings”. The original budget was \$1,250 and only \$890.88 was actually spent on this line item. The remaining \$359.12 was maintained in the same line item of “Supplies”; however, the \$359.12 was charged to “Baskets, etc.” to cover the cost of some of the directories purchased for the program that was previously included in the match.

**Match:**

The cash match from MAC was promised as \$10,000 (33 percent) and exceeded that to be \$13,722.19 (46 percent).



# INVOICE

Michigan Farm Marketing & Agri-Tourism Association  
235 North Pine Street  
Lansing, MI 48933

**DATE:** January 31, 2011  
**INVOICE #** 101  
**FOR:** SCBG 2009

**Bill To:**

Mike DiBernardo  
Michigan Department of Agriculture  
P.O. Box 30017  
Lansing, MI 48909

DESCRIPTION	AMOUNT
SCBG 2009	\$ 30,000.00
Prior Payment - April 2010 Interim Report	(1,500.00)
<b>TOTAL</b>	\$ 28,500.00

Make all checks payable to **Michigan Farm Marketing & Agri-Tourism Association**.  
If you have any questions concerning this invoice, contact Val Vail-Shirey at (517) 484-3912.