

## STEP ONE:

Are you ready to sell your product at in-person events?

## STEP TWO:

Are in person events the right option for your business?

## STEP THREE:

What are the next steps?

## STEP FOUR:

Post event evaluation and follow up for best results.

### Additional materials referenced in the steps:

- Culinary Costing Template
- Pricing Info Sheet
- The Online Presence Guide
- Trade Show Gems (from your peers)
- Individual Pre-Event Analyzer
- How to Create Your Sell Sheet
- Post-Show Analysis Spreadsheet



In person events - retail and wholesale events from food shows to farmer's markets - are a major source of income for the Value-Added Food businesses in Vermont.

However, they are also a major commitment of both time and money that need to be properly managed to yield the best results.

To help you decide if any in-person selling event is the right addition to your marketing efforts we have created a simple, but effective 4-step process.

The Steps are as follows (each step has expanded information including questions to answer and steps to take when you click on the link):



**Step One: Are you ready to sell your product at a show?**  
This step will help you answer both if your product is in-person event ready. And additionally if your marketing and production process is in place to support increased sales.

**Step Two: Are in-person events right for your business?**  
The next step is to analyze the "big picture" of whether or not in-person events are a viable revenue stream for your business.

**Step Three: Yes, in-person events are a good choice for my business...now what?**  
So you've decided that in-person events are the right choice so this step will allow you to analyze each potential event, create your in-person event schedule and then begin to prepare for and manage the events.

**Step Four: Post event...what to do now?**  
Post event management goes beyond just fulfillment of the orders so we have created a list of to-dos that include on-going analysis of each event and its addition to your bottom line.

#### **Additional materials referenced in the steps:**

- Culinary Costing Template
- Pricing Info Sheet
- The Online Presence Guide
- Trade Show Gems (from your peers)
- Individual Pre-Event Analyzer
- How to Create Your Sell Sheet
- Post-Show Analysis Spreadsheet



In person events - retail and wholesale events from food shows to farmer's markets - are a major source of income for the Value-Added Food businesses in Vermont.

However, they are also a major commitment of both time and money that need to be properly managed to yield the best results.

To help you decide if any in-person selling event is the right addition to your marketing efforts we have created a simple, but effective 4-step process.

The Steps are as follows (each step has expanded information including questions to answer and steps to take when you click on the link):

**Step One: Are you ready to sell your product at a show?**

This step will help you answer both if your product is in-person event ready. And additionally if your marketing and production process is in place to support increased sales.

**Step Two: Are in-person events right for your business?**

The next step is to analyze the "big picture" of whether or not in-person events are a viable revenue stream for your business.

**Step Three: Yes, in-person events are a good choice for my business...now what?**

So you've decided that in-person events are the right choice so this step will allow you to analyze each potential event, create your in-person event schedule and then begin to prepare for and manage the events.

**Step Four: Post event...what to do now?**

Post event management goes beyond just fulfillment of the orders so we have created a list of to-dos that include on-going analysis of each event and its addition to your bottom line.



## STEP ONE:

Are you ready to  
sell your product  
at in-person  
events?

Going to in-person events seem like a natural way to increase sales. And they certainly can be, but before you even consider participating in an event the very first step is to make sure your product is event ready.

What does that mean?

That your production, pricing and marketing is in place and not only working to meet your current sales level but can satisfy increased sales AND make a profit. The following are a list of questions that you need to answer and the tools to help you make sure your product is ready.

1. COGS – are your cost of goods sold well documented and at the correct percentage to be profitable? We have provided a [Costing Template](#) for you to use to check the recipe of each product you are considering selling at a show.

a. Also make sure that your supply chains for the supplies you need (both ingredients and packaging) are in place and can provide for the increased need.

2. Pricing – is your pricing validated for all selling levels (retail, wholesale, distributor). To check the pricing on each of your products using the formulas provided in the [Pricing Info Sheet](#).

a. As you gathered info above (to make sure your supply chains are intact) also check if increased volume will yield a lower cost of goods sold and a potential re-calculation of your pricing.

b. Also note that if you have not increased prices in some time doing it before you go to the first event is the best policy.

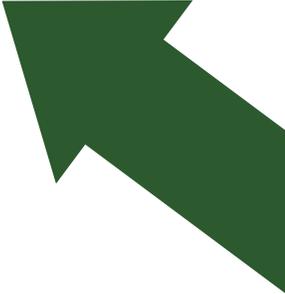


3. Is the production capacity in place? Review all of your production steps and make sure you have all of the following in place to meet increased production in a timely manner:

- a. The time
- b. The staff
- c. The equipment
- d. The space
- e. The packing and shipping.

4. Is all Marketing cohesive and unified? Review and plan for:

- a. Website (including ecommerce if necessary). We have a tool, the [On-Line Presence Guide](#), that allows you to do a comprehensive website review and we suggest you use it to make sure you can answer yes to this question.
- b. Branding across all materials including labels, handouts, signage etc).
  - i. And if you are selling across state lines you need to make sure your label meets the current requirements:
    - 1. [https://agriculture.vermont.gov/sites/agriculture/files/documents/Wrights\\_Measures/Packaging%20and%20Labeling%20Regulations.pdf](https://agriculture.vermont.gov/sites/agriculture/files/documents/Wrights_Measures/Packaging%20and%20Labeling%20Regulations.pdf)
- c. Social Media.



Additional Resources:  
*Culinary Costing Template*  
*Pricing Info Sheet*  
*On-line Presence Guide*



**PRICING  
INFO  
SHEET**

One of the most critical cornerstones of creating a profitable company is pricing your product correctly.

There are many factors to consider so please read the following material carefully.

Before you begin using the formula to calculate the pricing here is some background to consider:

1. COGS (Cost of Goods Sold): food ventures work on a COGS basis and the typical COGS runs between 38-42%.
  - a. This is the price to the distributor not the retailer.
  - b. Please remember that when costing out the item it includes the cost of ingredients as well as the packaging.
  - c. For this exercise labor is not included in COGS (this is because typically in small businesses, employees multiple tasks so identifying manufacturing labor costs are more difficult).
  
2. To figure out your recipe, you can use the [Culinary Costing Template](#) we have included in Step One.
  - a. Cost of ingredients: Depending on the food product you need to consider the concept of "yield".
    - i. Example: If purchasing a 20 lb bag of potatoes that need to be cleaned and peeled the reality is that you only have about a 16 lbs (80%) yield rate. So the cost per lb. is not what you paid on invoice but rather the cost divided by the yield. This can make a significant impact on the cost of ingredients and thus the price they need to charge.





3. Add the packaging costs to the recipe costs to get COGS.

- a. Other applicable costs that will be captured in your expense categories include labor, shipping and handling and storage. Again, for this formula they are not included in COGS.

Channels of distribution (how you sell your product) **MUST** be taken into account. And taking them into account now (regardless of how you are currently selling/distributing your product) allows for growth into all distribution channels without having to increase your price later (and potentially losing customers because of sticker shock).

1. Distribution channels are:

- a. Direct to Retail – this is when you sell directly to end-consumers yourself from your location or end-consumer events or on your website.
- b. Direct to Wholesale – when you sell your product directly to stores or sellers that then sell to the end-consumer.
- c. To Distributors – when you sell to sellers who sell to wholesalers.

2. Each of these channels has to have its margin in order to maintain its business's profitably. Typically (though this can vary so you need to make sure when you use the formula you are using the correct margins for your industry) in the food industry the margins are:

- a. Distributor adds 25-30%.
  - b. Wholesaler adds 30-50%.
  - c. You need to add your 40% minimum to the cost of your COGS.
- 



Now to the formula:

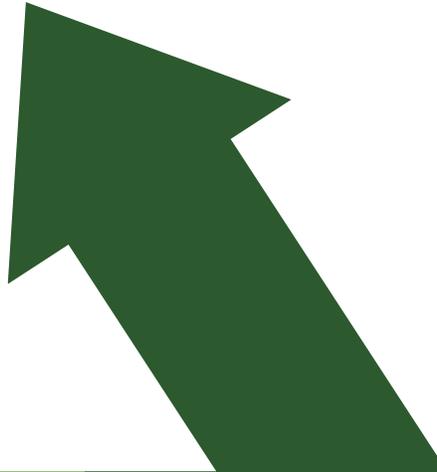
Again, please note that the most common mistake is to NOT consider all of the various levels of distribution so that growth is an option.

There are 2 methods that you can use:

5. Production to Retail – this allows you to set the price based on your COGS: As mentioned, the COGS is typically 38-42%, the distributor margin is 25%, and the retailer margin is 35%. These margins might vary slightly depending on your product so make sure you check. A typical example of the math looks like:

- a. Cost of the item with packaging is \$2.00 (your COGS)
- b. At a 40% Margin for you the selling price would be  $\$2.00 / .60 = \$3.33$
- c. Distributor buys at \$3.33 and adds their 25% margin so sells to the retailer (wholesaler) for \$4.44 ( $\$3.33 / .75 = \$4.44$ )

6. Retail Price to COGS by item – this method allows you to set a price you think the market will pay and then work “backwards” to see if you can produce the product at the COGS that are the result of the formula. Let’s look at an example in which we are using a Suggested Retail of \$9.99:

- a. Minus the retailer’s margin of 35%:  $\$9.99 \times .65 = \$6.49$ . So the price to a retail store (Wholesale Price) = \$6.49
  - b. Minus distributor’s margin of 25%:  $\$6.49 \times .75 = \$4.87$ . So the price to a distributor (Distributor’s Price) = \$4.87
  - c. Minus your margin of 40%:  $\$4.87 \times .60 = \$2.92$
  - d. COGS in order for you to be profitable has to be \$2.92 (or less).
- 

## STEP TWO:

Are in person events the right option for your business?

Once you are confident your product, production process and branding are in place the next step is to do the “big picture” analysis of in-person events as a revenue stream. And then make the decision that is right for your business.

It is an important step to take because you look around and other food producers are doing shows, maybe even your competitors, so the decision feels like it is being made for you. But it isn't. Doing in-person events simply because others is never the right answer. Take the time to do the analysis by answering the questions below that are designed to get the answer to the most important question – if I attend in-person events will the bottom line (profit) of my business INCREASE?

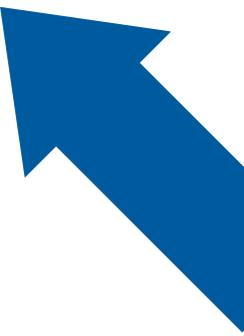
Here are the steps/questions:

1. If you have never done an in-person event do a start-up cost calculation of what money you will need to spend before you attend the first show:
  - a. Booth purchase or DIY creation
  - b. Any marketing materials (see Step Three)
  - c. Any signage/uniforms/misc. branding items needed (see Step Three)
  - d. The cost of any changes from Step One in getting the product show ready.
  
2. Create a master list of the events with:
  - a. Name
  - b. Location
  - c. Type/Category of Show:
    - i. Local/Farmer's market (retail)
    - ii. Regional (wholesale and retail...plus Distributors often attend these events looking for new product)
    - iii. National (wholesale and retail...plus Distributors attend these events looking for new product)

- 
3. Pick one show from each type/category and do the following steps. These will be estimates but do your best to be as accurate as possible (picking an actual show from each category that is representative will help you be more specific):
- a. Cost/fee per show.
  - b. Cost of related expenses:
    - i. Travel
    - ii. Accommodations
    - iii. Food
    - iv. Staffing
    - v. Specific marketing materials (including samples if needed)
  - c. Will you close your business while you're at the show or will staff run it? Here we are looking for the impact on your current revenue streams. If nothing changes i.e. the website is still accepting orders, your brick and mortar location is still open) then you don't need an estimated financial impact here. But if you have to close a location for instance you would need to have a negative number in this column.
  - d. For each category calculate Contribution Margin on each type of sale – retail, wholesale, distributor. If you are going to sell multiple products make this calculation simple by picking your bestselling product and only figuring the Contribution Margin on that product (ultimately you will want to know this on all products you are selling however you are selling them). Use the base Contribution Margin from the COGS Calculator from Step 1 as the retail Contribution Margin and then for the Wholesale and Distributor sales reduce by their margins (see Pricing Info Sheet). You will end up with three contribution margins (CM):
    - i. Retail Sales CM
    - ii. Wholesale Sale CM
    - iii. Distributor Sale CM
- 

- 
- e. Now calculate the number of sales you would have to make for each show (cost of show divided by the appropriate CM of the product you are selling.
    - i. Note that some shows (and this number for most businesses would need to be limited) are purely for advertising and promotion and you would not expect any sales from the show itself but from increased long-term sales. This is not the type of show to use for this calculation. You would add the expense of that type of show to your annual marketing budget.
  - f. Then review the master list and ask:
    - i. How many events would I need to do in order to have significant impact to my bottom line?
    - ii. Is there another way to get the same impact that might take less sweat equity?
    - iii. Should I do in-person events (knowing this is a best guess set of research and projections):
      1. Yes
      2. No

4. Read the Trade Show Tips we have gathered from clients...this is a great list to consider.



Additional Resources:  
*Trade Show Tips*



**TRADE  
SHOW TIPS**



From other businesses who have successfully managed shows (these are in no particular order):

- Wear shoes that make you feel good. Everyone recommends comfy shoes. I usually opt for shoes that make me feel good/powerful/successful and it is all the better when those are shoes I can stand in all day.
  - No chairs...buyers want to see you actively engaged. Sitting at your booth (unless truly necessary) offers a poor image.
  - Don't go crazy on samples. One or two flavors is enough...with more available if asked. For example, if it's granola, if they like one flavor, chances are they will like and buy all flavors. And no need to make big samples. Buyers are tasting ALL day, they will reject a sample that is too big and therefore never even taste your crazy good product!
  - The most important thing I have learned about trade shows is that it is a multi-year commitment. And that means a multi-year expense of money and time. Can you afford that commitment?
- 



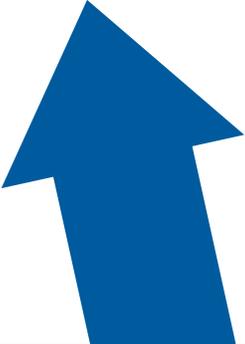
- At big shows, like Fancy Food, you have a couple of seconds to attract the attendee's attention. If they stop, you then have about a minute to explain your product. What is the most important thing to say? Sampling at big shows means competing with hundreds or thousands of other samples. People fill up fast and their taste buds are on overload. Keep this in mind when you decide what to offer. People get a lot of paper handouts at shows. Send them home with the most informative and attention-attracting handout. Ask if they also want your card [or have them take a photo of your card] and a sell sheet.
- I like to take a photo of my potential customer with them holding their badge near their chin. As a visual artist, I can recall my conversation with them better if I can see their face. Most people like doing this if I ask politely and then we laugh together. It helps them to remember our conversation as well. This is better in my opinion than purchasing an expensive lead collection service.
- Make sure you have a vehicle for collecting email addresses and contact info. Consider giving something of value away...that way you get real info. Whatever that costs you (in your open product or the gallon of maple syrup you buy) will be worth having the info to put into your database when you get home.
- Consider a uniform...for everyone working the booth...an apron with your logo, a t-shirt with your logo, at least all the same thing. It lets people know who they are talking to and makes the booth look better. If you are the owner say so on your name tag...people like talking to the owners when they can.
- Do a mockup of the booth space with all of your displays and product in it and then put the number of staff in next BEFORE you leave for any show...can you move around? Can you invite people in so they can come out of the show aisles? Does it work? Once you are at the actual show it is hard to make more than minor changes.



- 
- Remember that even though it is (hopefully) the 1,000th time you have given the pitch and you think it is boring and so you have lost some of your energy...for whomever you are talking to it is the FIRST time they have heard it.
  - Many trade shows only allow tasting and not sample giveaways. You do not need to bring a lot of product beyond what you need for tasting samples.
  - The first year is just an introduction of your product to buyers. Do not expect orders. If you do get orders, that is a plus. Follow up is important but being at the same trade show every year is what develops customers. Buyers can see that your business is a solid one.



Main Landing Page



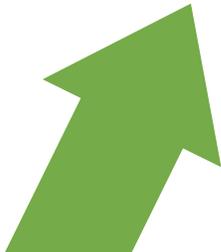


## STEP THREE:

What are the  
next steps?

Yes, in-person events are a good choice for my business...now what?

Now that you have concluded that in-person events are the right addition to the revenue streams of your business you need to create your show calendar. Now you need to carefully analyze each individual in-person event and the creation of the booth and all the materials you will need. And any changes in the product you identified in Step One.

1. Expand the Master List you created in Step Two with the following information:
    - a. Staff required.
    - b. Travel required.
    - c. Size of booth.
    - d. Signage required.
    - e. Marketing materials required.
    - f. Samples required.
    - g. Inventory Required
  2. Complete the [Pre-Show Analyzer](#) on each event.
  3. Pick your events and create a show calendar.
  4. Book the events.
- 



5. Design all marketing material (this needs to be done with follow-up plan for show participants in mind – how will you keep in touch with people who came to the booth and encourage them to stay in relationship with you. This is critical as long-term profit from a show comes after the show from repeat customer orders and wholesale and distributor orders. Also this is where strong, consistent branding comes into play. Make it all related and eye catching (including yourself and the staff):

- a. Booth
- b. Signage
- c. Sell/Information Sheet for Wholesalers and Distributors (see [How to Create Your Sell Sheet](#))
- d. Show special promo material if needed.
- e. Handouts/Business Cards
- f. Mechanism for collecting names
- g. Bag Stuffer to encourage on-line orders if ecommerce capabilities
- h. Show uniform.
- i. SWAG to sell?

6. Create a Master Show Pack List.

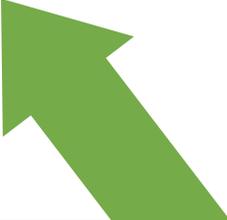
- a. Add blanks at the bottom to add any specifics needed for any individual event.

7. Train your team.

- a. Remember this tip from the Trade Show tips: It is always a good idea to set up the booth and tape off the size of the show rental area on the floor of any show you are attending and actually move around it with your team (do this even if it is just you!). This can save a lot of unnecessary problems at the show and save you packing things you don't need.

Additional Resources:

*Pre-Show Analyzer*  
*How to Create Your Sell Sheet*





## PRE-SHOW ANALYZER



To properly analyze each in-person event on your Master List gather the following information on each even to determine if it is an event you want to add to your Event Calendar:

### 1. Costs:

- a. Booth Rental
- b. Specific costs (in addition to the basic booth and booth items that make up your in-person event package) including:
  - i. Uniforms
  - ii. Booth decoration including posters, etc.
- c. Travel
- d. Staffing
- f. Samples
- g. Specific Marketing Material
  - i. Including Sell Sheet
  - ii. Show specials Promotions
  - iii. Bag stuffers/handouts

### 2. Location

- a. Indoor or Outdoor
  - b. And location of the booth within the venue (note: booth location is extremely important and great locations can cost more)
- 



### 3. Promoter and their reputation

- a. Promised Audience
- b. Recommendations from previous attendees

### 4. Exhibitor List

- a. Are other exhibitors the same “quality” as your product
- b. Are there too many competitors there so you will get lost

### 5. Time frame

- a. At show
- b. And what is prep time for getting ready for the show

### 6. Projected ROI (return on investment)

- a. Loss of production time/sales in days out of business
- b. Is this a marketing event or do you need to sell?
  - i. And if it is a selling event what can you expect in orders (or what do you need in orders to make it profitable)
- c. Break even analysis – do the analysis you did on Step Two (on the three types of show) on each of the individual events you are considering. You need to know the potential performance of each event before you decide to add it to your calendar. Know how many products you will need to sell to at least cover the cost of the event and make an informed decision about whether the particular event can perform as needed.

### 7. Do you have all the systems in place that you need for follow-up and continued sales:

- a. A collection system for name and contact info
  - b. Including a database to enter names in when you return home.
- 



Add any other specific pros and cons relevant to your business and then decide event by event to create your calendar.

Also remember (from the tips) that it takes more than one show (whether it is an annual show or a weekly farmer's market) to gauge the real outcome. So add whether you are willing to make a long term commitment to your decision making process.



Main Landing Page

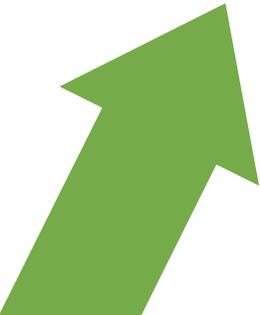


## HOW TO CREATE YOUR SELL SHEET



Your fact sheet (sell sheet) is an informational sheet that is a standard in the food and beverage industry and will be given to your distributors, wholesalers and retailers. It should be on one page (printed on both sides if needed) and can have more than one product but each product has to have the information listed below. The sheet must look professional (though it is not an end-consumer marketing vehicle) and easily read. You can attach fancy promo material to the buyer fact sheet – just make sure the fact (sell) sheet is on top. Your sheet has to have the following elements:

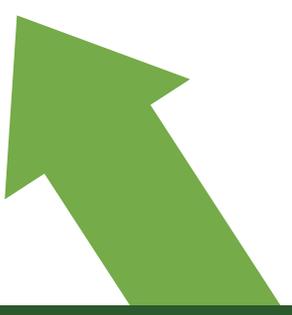
### Company information:

- Your business name (who do they make the checks out to)
  - Mailing address, phone number and email address
  - Web page, Facebook and other Social Media links to your product
  - Logo
  - Your liability policy # and insurer
  - Your EIN/federal tax ID #
  - Shipping or delivery method
- 



Product information (again, if you have more than one product each has to have the following):

- Product name(s)
- Photo(s)
- Grocery department - i.e. perishable, shelf stable, deli etc.
- Shelf life
- Facts on packaging – volume or weight of individual container
- Number of containers per case
- Wholesale price
- Suggested retail price
- UPC/BAR CODE - you can paste the code or type out the full number for EACH product (remember that if you have more than one size of each product, it must have its own UPC)
- A BRIEF description of (each) product – include selling points i.e. local, organic, etc.



Main Landing Page



## STEP FOUR:

Post event  
evaluation and  
follow up for  
best results.

How you deal with the orders you received, the people you met, the staff who went with you when you finally are back in the office is paramount to the long-term success (and your mental health) of in-person events.

1. Do a wrap up meeting immediately upon returning to the business (even if it is just you capturing your impressions):
    - a. What worked?
    - b. What didn't? And what changes need to be made.
    - c. What supplies did I need that I didn't have? Include an analysis of the samples at this point. Add this to your Show Pack List immediately before you forget it.
  
  2. Add data to your Post-Show Analysis Spreadsheet. (See the on-line template we have provided.) This allows you to look at all shows over time to see trends and make longer-term decisions.
    - a. To repeat one of the Trade Show Gems...it can take more than one event over more than one season or one year to know if an event is successful.
    - b. Also an event's effectiveness can change over time so constant evaluation is important.
- 



3. Enter all collected names into a database to use for show follow up sales and to let them all know you are coming back next year. This data base is extremely important. Again, most profit is made post show in long term relationships with customers and wholesalers.

a. Create both customer and wholesaler databases (if both are needed).

4. Do all pre-planned follow up including:

a. Shipping any orders.

b. Emails to remind wholesalers of show specials.

5. Take a breath.

Additional Resources:

Post-Show Analysis  
Spreadsheet

