



Efficient loading
of trucks is key to
customer service.

Ron Alexander

Positioning Your Product for Sales Success

Are you treating your biosolids product
like an asset or a liability?

Ron Alexander

There is increased interest in producing biosolids-based products that can be used in non-agricultural applications, and many factors affect their marketability. Obviously, producing a product (compost, dried/granulates, Class A blended soil, etc.) that possesses the characteristics required for a specific application,

or end user group, is key to the success of any marketing program. As is providing a competitive price, good customer service, technical assistance, and managing any negative stigmas. However, without the appropriate sales and marketing activity, these efforts alone are unlikely to increase the product's marketability or market share.

Having researched why certain biosolids-based products succeed and fail in the marketplace, one fact seems very clear: Most facilities that do not invest time, effort, and money into market development and those that do not take it seriously enough fail much more frequently.

The investment in time, effort, and money is just that — *an investment*. Also note that this overall market development investment should decrease over time as the marketing program and customer base becomes established. If done properly, an organization can transition its solids marketing program from aggressive development to a maintenance mode. Of course, this transition is greatly affected by competition.

A successful marketing and distribution program generates revenue and improves the efficiency of the manufacturing facility. It also can provide some much needed “positive press” to biosolids recycling. The world of market development offers some important sales and marketing lessons that can help to ensure successful biosolids management programs.

Quality Is Key

A friend once said to me “a high-quality biosolids compost sells itself.” Although that is clearly not the case, there is no doubt that an important key to any long-term marketing program for any biosolids-based product is a consistently high-quality product. Even with seasonal fluctuations in feedstock, most biosolids management facilities can produce a surprisingly consistent product. Even so, ongoing testing of your product is essential. If biosolids product manufacturers state that their product possesses certain characteristics and that it is consistent, then they need the analytical data to prove it. Producing a quality product must start with controlling and monitoring your production process — and not taking short cuts to save money. For an organization producing a dried and granulated biosolids fertilizer, that may mean never skimping on the use of a dust reducing agent.

Don't forget, customer satisfaction is based upon meeting expectations on an ongoing basis and customer confidence can be lost quickly over poor quality product. Product quality can also be affected by how the product is stored, so make sure that proper storage practices are understood and met.

Invest in Product Development, Sales, and Marketing

If “location, location, location” is the mantra in real estate, then “investment, investment, investment” is its equivalent in sales and marketing. This does not mean spending money frivolously. But success does mean investing time, money, staff energy, and mental effort.

To improve market penetration, biosolids-based product manufacturers must make a focused and concerted effort when approaching the market. Remember, sales and marketing are all about momentum. Small and sporadic activities often are ineffective.

Of course, your investment should be done in a cost-sensitive and efficacious manner. If you need to jump start your sales and marketing efforts, go get some advice, but then act. A study completed in the late '90s identified lack of effort and investment second only to poor product quality as the cause of failed compost

marketing programs. Also, remember that your sales and marketing investment is not just investment in things such as logos and advertisements, but also people. Invest in motivated staff and in their education. The sidebar on p. 61 describes the things that you need to have your dedicated people focus on.

**It's not all
about managing
stigma related to
the product's
feedstock.**

Understand Your Product

Many companies produce great biosolids-based products, but they don't convey that fact well enough to their customers and prospects. Often this is because the companies don't understand the technical aspects of their own product well enough. This doesn't mean that you have to become an expert in laboratory testing methodologies or soil science, it means that you need to know the technical aspects of your product well enough to understand target ranges for specific characteristics such as nutrients, pH, etc. and how the figures relate to specific applications.

By understanding more about your product, you can do the smart thing: sell toward the strengths of your product. What that really means, is that you sell your product into the applications in which it is best suited. This strategy also can limit your risk and potential liability, as well as allow you to develop markets that you can better protect. Don't be satisfied testing your product just to file the data. Ask questions of lab technicians or other industry experts. Understand what the numbers mean. You need to know enough about your product to

Market Research and Product Positioning

Positioning a product for distribution within an existing market takes both forethought and knowledge of the specific market area, as well as the appropriate product. Market research can assist positioning a product for sale in the marketplace. Things to consider include the following:

Geography

Where will you geographically concentrate your marketing? How large will your geographical area be? This determination will be based on such factors as competition, transportation costs, business and population demographics, and possibly bulk density of the product (because it affects the volume of product that can be shipped on a truck).

Market Segments

In which market segments will you concentrate your sales efforts (*e.g.*, nurseries, landscapers, farmers, etc.)? This determination is based on factors such as business and population demographics, product characteristics, staff skills and knowledge of the market segment.

Product/Application

What are the typical characteristics of your product, and what specific type(s) of product will you manufacture to meet your users' requirements? This determination is based on things such as competition, access to application equipment, end user product requirements (and market sophistication), and facility infrastructure/equipment, to name a few.

Good market research can assist a biosolids-based product manufacturer in making these planning decisions. Prior knowledge of the regional "green industry" also helps. Other internal and external factors also influence how you position your product for sale, including the following.

Competition

What products are you selling against? How do you compare with them on a quality and economic basis?

Product or Feedstock Characteristics

Does your feedstock or finished product possess any characteristics that make it unique, allowing for niche markets to be developed (*e.g.*, high nitrogen content) or limiting the product's

use within specific markets (*e.g.*, high electrical conductivity or poor biological stabilization)? Along with the innate characteristics of the feedstock and the finished product, the ability to produce a consistent product affects the market segments that can be targeted, as well as the product's value. An example is the sale of a Class A biosolids-based soil that is blended with sand and is finely screened for use as a turf topdressing.

Sales Price

Is there a specific value you must obtain for the product to meet necessary revenue requirements? How does the sales price compare to your competition's? Is the product pricing appropriate for the type and size of customer you are selling to?

Transportation

Do you have access to the necessary size and number of trucks? Are you able to reduce your transportation costs to provide your company with an economic sales advantage or allow you to transport the product longer distances (expand geographical market area)?

Infrastructure

Do you have the necessary processing equipment, such as screening equipment, to produce a properly *finished* product? Do you have enough space to properly produce and stockpile your product for peak market demand? Is covered storage a possibility?

Technical Expertise

Does your organization possess (or can it access) the technical expertise necessary to sell to highly technical market segments (*e.g.*, golf courses, specialty agricultural crops)?

All these factors must be considered when working to properly position a product in the marketplace. Also, evaluating these considerations and making these types of positioning decisions in the early stages of planning and market development enables a biosolids-based product manufacturer or marketer to work much more efficiently (economically) and effectively.

understand the ramifications of a significant change in one of the test parameters.

Sales Is Education

Because biosolids-based products are somewhat new to the marketplace — even though it has been 40 years — and are stigmatized, much of our sales and marketing efforts must possess strong elements of education. Salespeople who have taken the time to educate themselves about the benefits of their product (and then have seen it work in the field) know how valuable it can be. However, those who market the product must be able to convey this message to their prospects — taking highly technical aspects of the product and explaining it in a way that illustrates value. One of the keys is monetizing the benefits of your product (illustrating the actual financial value of specific product benefits) to your customers.

Obviously, the only way to convey these benefits to customers is to understand them yourself. Further, if we are trying to show prospects that your product is better than what they are currently using, then the best customer is an educated customer. Therefore, we must work on becoming educators to our prospects and customers. Remember, we're not trying to sell somebody something that they don't need; we're trying to figure out if our product can help them get their job done better, faster, or at less cost. If it does, then we need to educate them about that fact.

Understand the Market

We live in a world of specificity, yet we sometimes speak in much too general terms. We wonder why we can't sell our biosolids fertilizer into agriculture, when we should be trying to develop programs to market it

to hay or cotton growers. Many of us have done a good job understanding the generalities of the marketplace, and even particular market segments. However, to expand overall sales, develop new markets, or create new applications, we must understand the nuances of the specific end user or application. What are the customers' production requirements, costs, and stresses to the growing system? Understanding these specifics, leads to success, and may keep you from wasting time in a market in which you cannot succeed. The sidebar below explains how to harness market segment-based marketing plans.

Even facility managers should find time to get educated (to some degree) about the market. A general understanding of client needs leads to higher quality products and, perhaps, the development of new creative products. It should be noted that the market is constantly changing, and so are competitive forces, that is why staying active in the marketplace is so important. The more information you have, the easier it is to pivot your marketing program.

Marketing and Sales Are Different

To those who have been involved in both sales and marketing efforts, we understand that these activities are different (but they have significant overlap). Sales is physically getting in front of a prospect and/or completing the transaction. This also can be accomplished to some degree on the telephone, and, of course, at industry trade shows. Few companies (even in this digital age) succeed in "selling" without getting out of the office and getting face to face with prospects. Marketing or market planning are the many activities completed to pave the way for successfully selling the product. These include planning, promotions, and lead generation. A major mistake is relying too heavily

Market Segment-Based Target Marketing Plans

Larger biosolids-based product manufacturers and marketers may require more detailed marketing programs for each of the specific target market segment they plan to approach. The programs should encompass not only sales and marketing related activities, but also sales management.

Potential components include

- products to offer (and appropriate characteristics);
- sales focus, including customer size and geographic area of concentration;
- staffing requirements;
- pricing policies (base price, discounts);
- scheduling of sales/marketing efforts — seasonal concentration of sales efforts, timing of advertising/promotional activities;

- sales tools, including pitch pages, sales programs, and product literature;
- lead generation methods;
- associated services (hauling, application);
- procedures for contact management (ranking, follow up); and
- sales goals.

Developing structured sales and marketing programs helps focus ongoing sales efforts, as well as the efforts of sales staff. It also illustrates to users that you understand their requirements and are trying to meet them.



Employing trained sales staff is key to market expansion. Ron Alexander

on marketing activities to expand a program, and not completing the necessary actual sales activity. For municipal programs, that means budgeting for a staff member whose primary role is sales and marketing.

Branding

There are great examples of specific biosolids-based product manufacturers who have succeeded in developing markets for their branded products. Their success is not coincidence. If you take sales and marketing seriously and invest to increase product value and sales volumes, then you are moving down the road to product branding.

Just think about how much money beverage and automobile companies spend to create specific images around their products. What do they want from this effort? Product differentiation in the marketplace, brand loyalty, and increased product value. Biosolids product producers want the same things. Obviously, if our product is not packaged, then it can be more challenging to brand, but many programs nationwide are succeeding at it and gaining the benefits of that effort. Branding our products helps maintain long-term market share, as well as raises product value. But don't forget, the brand must stand for something — which means that you have to invest into it and be true to it.

Differentiation from Your Competition

Even if you do not aim to be a market leader, you can still find smart ways to differentiate your product from the competition. By properly differentiating your organization and/or product, the market should think of you first or, at least, in favorable terms. Biosolids-based product manufacturers often differentiate themselves and their products through branding, but also by certifying their product. Some organizations differentiate by developing creative product sales/marketing tools or derivative products. There are many ways to differentiate yourself from your competition, the most difficult thing is committing to do so.

Bringing a biosolids-based product to the market must be done in a pragmatic way. We must consider the actions necessary to bring any product to market, and although we often must deal with a greater level of negative product stigma, we cannot allow it to paralyze our efforts. ❧

Ron Alexander is President of R. Alexander Associates Inc. (Apex, N.C.). He can be reached at ron@alexassoc.net.