# THE DIRECT MARKET FARMER'S GUIDE TO COVID-19



#### Inside

# TABLE OF CONTENTS

Your COVID-19 Opportunity Positioning Your Business	3
Setting Up Delivery	6
Shipping Partners	8
Co-Loading	9
Pick-Up Locations	12
Reaching Your Audience	13
Social Media	13
Website	16
Stay Connected with Customers	16
Conclusion	18



#### Introduction

### YOUR COVID-19 OPPORTUNITY

As a farmer, the recent spread of the COVID-19 virus globally is creating fear and panic amongst the community, which can have a detrimental effect on your sales. It is currently unclear what effect the shutting of farmers' markets and different sales channels may have on local food.

It's important to think fast and prepare to reduce the impact and avert losses. As farmers, you need to mitigate the risks and have to start talking to customers. It is time to start deciding on how you are going to prepare—you do not want to be caught flat-footed.

At Local Line, we've been fortunate to work with thousands of farmers, food hubs, and farmers' markets, and we know that having an online sales is better for business, especially with current impacts to more traditional sales channels. Being able to sell online and deliver direct to home is big competitive advantage in time of quarantine!

We're not capitalizing on the pandemic, however simply recognizing that this online channel is ideal in a world of quarantine and avoiding public places. Though this is not good, it's an opportunity to access new customers who might've otherwise purchased their groceries from a grocery store or farmers market.

Businesses based on social contact are suffering, so let's tackle COVID-19 head on.





## POSITIONING YOUR BUSINESS

Amidst the pandemic outbreak, people are taking care to avoid grocery stores, farmers' markets, and other public places.

With advice to stay at home as much as possible, the safest option for food purchase right now is to order local food online with direct delivery.

Having an online store for your farm changes your status in the marketplace. While other channels are unavailable to consumers, your online store is a convenient, reliable way for your community to purchase fresh, local food.

Repositioning your business—even if only for a short time—is about answering two questions:

- How do you highlight what's important about your online store?
- How do you appeal to your customers?

# Appeal to your customers by highlighting what's important:

In a time of uncertainty regarding germs and food safety, buying products online from your farm means your customers will know exactly where their food is coming from.

No one wants Italian olive oil right now...it's all about local, safe, nutritious food.

Buying local means less risk for food contamination; with less hands used to handle the product, produce from **your farm is inherently safer.** 

#### Emphasize the importance of eating healthy!

Eating local, nutrient-dense food is key to maintaining good health and fighting this pandemic. (Toilet paper and canned goods are not the only things consumers should be stocking up on!) Encourage your community to stay home and order in!

# 6 TIPS TO GET YOUR STOREFRONT READY FOR ORDERS

You don't have the opportunity to show off your product in person anymore, or the opportunity to discuss it face-to-face, or have people touch and feel and see. An online store will now act as your tool to showcase your products and get customers to order. Remember to:

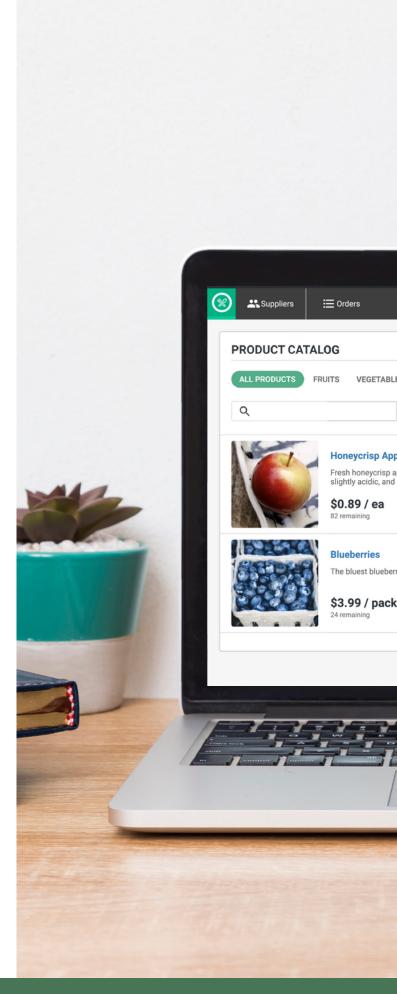
#### 1. Have consistent branding

The first step to setting up your online store is your branding. Your branding should match your product and business and should be easily identified in the market.

Your online store is now the hub of your business. Anything you use here should be the same as what you use for retail or markets. If you need branding help, we recommend checking out our free website builder, which comes with a logo designer.

# 2. Complete your "About Us" section

This section of your online store allows you to tell your unique business story to current and future customers. Make it short and sweet, covering the philosophy behind your product and what sets it apart from the rest. Include photos of yourself, your team, and your facilities.



Always put a face to your brand—let your customers know who is growing and delivering their food. You can complete this section in your Local Line account or you can do it on your own website.

#### 3. Add images (lots of images)

High-quality photos of your products are the only indication for new customers of what you sell and what they should expect when ordering.

The more visual your product list is, the higher the chance that someone will order from you. If you don't have photos and need some just ask us! We have lots of free stock photos on file that are a good short-term solution if you don't already have all your own product photos.

#### 4. Use accurate product descriptions

After pictures, customers will be looking for your product titles. Be sure to keep them short, descriptive, and play into current food trends.

For example, if you grow organic produce, add organic in front of each product. This sounds more appealing and will help to drive sales. The same applies with terms such as grass-fed, vegan, and gluten-free.

#### 5. Create a simple URL

Be sure to use a URL (link) that is relevant, descriptive, and catchy. Always add the name of your business to keep it memorable. An example of a URL is www.localline.ca/your-farm-name-here. If you need help setting up a catchy URL we are here to help!

#### 6. Have a delivery plan

Because the precautions around COVID-19 may prohibit people from a pick-up location, make sure to have delivery plans in place.

Distribution is a huge factor for online stores, especially during sensitive times like these. Be sure to have your delivery and pick up location schedule easily visible on your store—you don't want customers to have to search for it.





# SETTING UP DELIVERY

Now that you're selling online, you need to be able to get orders to your customers. Offering delivery is a huge undertaking, so before planning anything, you must see if it's feasible for your business. To do so, note that delivery is dependent on three different variables:

- 1. The minimum order value compared to your average order value
- 2. The frequency of orders received
- 3. The geographical location of customers

#### Minimum Order Value

A Minimum Order Value (MOV) is the lowest dollar value that you will ship to your customers. Setting a MOV guarantees a minimum profit per order, while also ensuring that the cost of distributing your product is not too high per order. To calculate your MOV, we have provided a MOV calculator available here. Calculate your MOV and compare this to your Average Order Value (AOV) to see if you're making profitable deliveries or not.

To calculate your AOV, take the sum of all of your orders and divide that value by the number of orders. If the majority of your orders are above or at your MOV (AOV > MOV), offering delivery to your customers is economically sound.

#### Frequency of Orders

The next parameter that must be considered is order frequency. Generally, the more frequent the order from customers, the smaller the order size. If you have customers orders multiple times per week,





you're going to need a lot of customers in a concentrated area in order to make deliveries profitable. If customers are ordering once a month, chances are their orders will be much higher, and it will be much more economical for you to deliver to them.

# Geographical Location of Customers

This parameter ties into frequency of orders. If the incoming frequency is manageable for the time frame, the distance between customers must also be reasonable. For example, if 22 orders a day is feasible for your business, where must those orders be delivered to? 22 orders in 6 different cities may not be possible, or profitable in day, however 22 orders in the same neighbourhood is highly profitable.

The key is to get a high density of customers in a concentrated area, and set delivery days to drop off products. For example, you might service city A on Monday and city B on Tuesday. If all of these parameters are manageable, delivery works for your business. If this doesn't sound feasible to your customers, there are many other ways to get your products to your customers than direct delivery, such as adding pickup locations.

Now that you found if delivery is feasible for your business, it is essential to determine your delivery costs for your business. To do this, we have provided a free delivery cost calculator here.

#### SHIPPING PARTNERS

#### How do I know if it's right for me?

If you are looking to offer direct delivery to your business, however do not have the resources or time to deliver yourself, partnering with a shipping partner is a good option.

Here is all you need to know about getting started with a shipping partner:

#### What is your current distribution plan?

Assess your current distribution plan. What are your customers asking for? Have you considered starting with pickup locations? Determine whether offering delivery is the right step for your business financially at this time.

#### Are you fulfilling more than 5-10 orders a day?

This is the starting point when you should start considering working with a partner. Depending on your margins and profit, it might be beneficial for someone else to take the load off of you.

#### Is your business growing or about to spike?

Do you have demand from customers that are out of your local delivery range? If you're in San Francisco and get an order in San Diego, you're not going to start the truck to deliver it. If you find yourself with more and more demand from far away places, calling a local 3PL is probably a good idea.

#### How do I find the right one?

If working with a shipping partner is feasible for your business, the next step is to find the right one. When choosing the best shipping partner to work with, here are some questions you should be asking:

- Do they have an enforced non-disclosure agreement (NDA)?
- What are their hours of operation?
- Do they ship on weekends and holidays?
- What is their capacity?
- Are they able to meet your delivery demands?
- Are they located in high-demand areas for your business?
- Do they have to travel far to get to you or your customers?
- Do they have good reviews from other food suppliers similar to your business?
- Do they have experience shipping food products?
- Can they provide necessary documentation regarding food and health safety standards? Are they temperature-controlled if necessary?



- What is the communication strategy in regards to orders, shipping notices, receiving and adjusting notifications?
- What costs are included in their quote? These are some costs that may be added:
  - Transportation costs the cost of picking up the product from you.
  - Shipping costs the actual cost of shipping your product to the customer.
  - Return costs the cost if a product is returned from a customer to you.
  - Account set up fees the price of creating an account.
  - Minimum costs this the minimum cost of using the service. This is important to note when having a slow month.

When deciding to work with a shipping partner, talk to them! Be sure to get answers to the important questions. You don't want a partner that doesn't work for your business and be left with unfulfilled orders, unhappy customers, and lost sales.

A common mistake made is jumping into business without proper research. Working with a shipping partner can help your business, however only if done correctly. Get ahead, do research, and find the right partner.

#### What is co-loading and how can it help me?

Co-loading is a great solution if you are currently unable to deliver yourself. Co-loading is the coordination of vehicle distribution routes from different suppliers to bring products to their buyers. Essentially, it is connecting two suppliers that need to distribute their products to the same location, however, do not have the capacity to do it alone. Consider partnering with a few neighbouring farms or farms that already service the markets you cannot access and consider sharing the load.



# How do I get started with co-loading?

Here are the steps to take in order to successfully implement co-delivery into your business:

## 1. Determine your transportation capacity

This step involves determining your ability for distribution. Are you able to deliver your products or are you looking for an outside source to deliver for you? This determines if you are the transporter or a transport user within a co-delivery scheme. Transportation capacity could also mean that you are only able to go to one major city during the week instead of two.

Determining these parameters will allow you to know what you need from a co-delivery plan before connecting with other businesses, and will help you plan for either being a party that's looking to save money by shipping with someone else or make money by shipping for someone else.

#### 2. Create a distribution plan

This plan considers the physical distribution structure for your product and considers variables such as food safety regulation, space and weight, vehicle type, what type of food products to ship with, whether you do pickups or deliveries, etc. The plan should consider every aspect that goes into distribution.

#### 3. Create a schedule

Where and when will you be delivering your product? Create a monthly/weekly (dependent on your delivery frequency)





schedule for a 3-2 month period that maps where and when you will be transporting goods. This schedule is bound to change, however, it is important to have an idea on when/where you need distribution.

This will also make it easier to coordinate with other suppliers.

#### 4. Find partners

When searching for a co-delivery partner, make sure to consider all the variables you mentioned in your distribution logistics plan, such as food safety and what type of food products to ship with. It is also important to consider what their delivery schedule is and if you are able to match up based on yours.

Possible suppliers can be found online by following social media pages of like-minded food producers, through online groups (most commonly found on Facebook), from past local markets, and through personal connections. How you find a co-delivery relationship can be very unique to you.

## 5. Create an agreement and get going!

The most important step for implementing a co-delivery plan to your distribution logistics is to put an agreement in place. This is the starting point for making co-delivery possible.

When you've found the perfect partner(s), remember to go back and review your logistics plans, transportation capacities and schedules to create a unique plan that works for your businesses. Iron out the details and possible situations that may arise. Make sure you know how to deal with potential quality issues and payment terms.

#### What happens to pick-up locations?

A pick up location is a predetermined area where a buyer is able to go to collect the items they have purchased from your business. Pick up locations can be a great way to be able to sell your product in multiple locations and serve multiple customers in an economical way, but with increasing concern and pressure to avoid public areas, a pick up location may seem daunting for your customers.

Here are five tips to avoid contact and continue delivering to your customers:

#### 1. Reassure customers

Your customers want to know that you are aware of the concerns and doing everything you can. Providing them with nutrient rich food is an important job that can still continue during this crisis. Everyone is scared, so as a farmer you can do a lot by providing support to your customers.

#### 2. Step up your sanitation protocols

In food production, it is essential that you are on top of all food safety and health standards. Also, be sure to communicate this with your customers if questions arise. Make sure you are prepared to answer anything that comes your way. Additionally, always have a bottle of disinfectant or a pair of gloves at the pick up location!

#### 3. Have everything pre-packaged and ready to go

Ideally, the customers picking up their orders want to be in and out of there as soon as possible. Be sure to have all the orders pre-packaged in bags or boxes, so that your customers can grab and go. It is important to be extremely organized and labelled, so as soon as a customer rolls in, you can give them their package. Be sure to not have any open bags or produce open. This will reassure your customers that their food is ready to eat and will not be contaminated.

#### 4. Pre-pay online

Say no to cash! Handling cash at a pick up location is both non-desirable for both you and your customers. Make sure your customers pay online before picking up their orders. This makes the pick up faster, easier, and safer for everyone.

#### 5. Offer direct-to-door delivery for vulnerable individuals

Offering delivery to all customers is not feasible for many farmers. This is where pick up locations can play a role. However, there are many groups, such as the elderly, that are advised to stay home at all costs. If it is possible for your business, consider offering delivery to customers that fall within those vulnerable groups. This will allow you to keep those customers and continue to provide these individuals with healthy, and great food.



## REACHING YOUR AUDIENCE

Now that you're armed with a delivery plan, you need to promote your solution. Use as many digital channels as possible to get the word out, and count of word-of-mouth as an important method, too.

Events in many industries are being cancelled, grocery store shelves are empty, and consumers are advised to stay home.

This is your opportunity to get in front of people who wouldn't have otherwise purchased from you (or even known about your farm!). Here's how to maximize each channel:

#### Social Media

Instagram is an extremely powerful tool that focuses on visual content to help you showcase your business and products. Food is a very visual industry, so take advantage of a tool that amplifies this in a time where seeing your products before purchase is not an option.

Here are six ways to leverage your social media channels and reach your audience:

#### 1. The power of hashtags

Use hashtags and geotags to reach others who are also searching for what you're posting, in the geographic areas you're tagging. Hashtags ensure that your content is seen by as many eyes as possible, not just your own audience.



Here are some examples for inspiration:

- #[yourcity]covid19
- #[yourcity]food
- #[yourcity]fooddelivery
- #[yourcity]localfood

Use your delivery cities in as many hashtags as possible. You don't want to be general here; be as specific as possible and consider what people in your area might be searching for.

#### 2. Share your posts to other platforms

Instagram lets you post across all other channels. Take advantage of Instagram's share feature and publish your Instagram posts to Facebook and Twitter, if applicable.

You may not have the extra time right now to be focusing on a social strategy or keeping up across all platforms, so this will ensure you're still maintaining a presence (and sharing the same message) on every channel.

#### 3. Include calls-to-action

Don't forget to include calls-to-action on every single post! Because you can't sell directly on Instagram, it is crucial that your calls-to-action encourage followers and buyers to take that extra step of visiting your website and/or your online store.

Here are some examples:

- Click the link in our bio to access our online store and buy online
- We deliver to your door on Tuesdays and Thursdays! Place your order today at [YOUR URL HERE]. Link in bio!
- Tag a friend who would also enjoy these fresh, local tomatoes!
- DM us to let us know if there's someone in your community who would benefit from a home delivery. If you know of someone elderly or unable to step outside their house, we'd love to reach out and help.





#### 4. Be visual and transparent

Share as many product photos as possible. Because consumers cannot see, touch, or feel your product, it's crucial that you showcase what it is you're selling. Use videos, photo posts—and don't forget Instagram and Facebook stories!

In addition to product photos, let your audience in your behind-the-scenes and show the process behind the photos.

Breaking it down communicates not only the hard work that goes into what you're selling and the expertise you have on this particular product, but highlights that your customers know where their food is coming from. They're trusting the safety measures you're taking with your product.

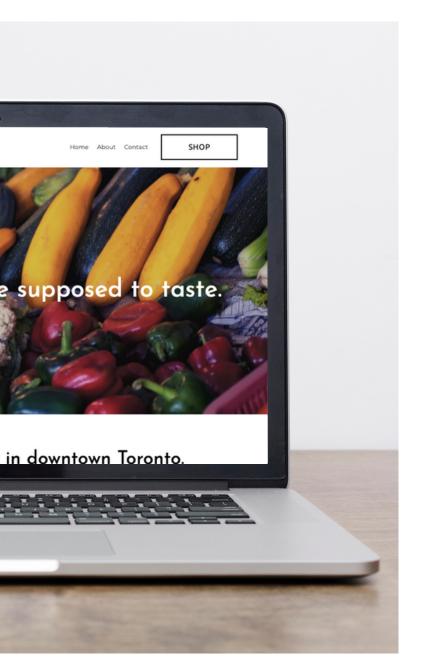
#### 5. Ask your audience to share

Word of mouth is extremely powerful. Leverage this by asking your audience to share your info or posts with their friends and family. It helps everyone involved. If they're happy with your products and service, we're sure they'd be happy to do so!

#### 6. Update your Instagram bio

Update your instagram bio to inform current and future customers that you are still up and running! Your bio is one giant call-to-action, so use it to your advantage.

Consider text such as: Shop fresh, local food from the comfort of your home. Place your order through our online store! Always be sure to include the link to your online store.



#### Website

Being active on social media is important, but a website is crucial. Above and beyond your online store, having your own space on the Internet to host your online store, explain more about your products and services. and sending your social media followers to actually make the sale is imperative to success as a food supplier.

Include a CTA on your website homepage above the fold (before you scroll) that reads "Shop Online Now" to encourage visitors to immediately visit your store.

If you don't yet have a website, get started with Local Line's always-free website builder made exclusively for farmers. Choose from a range of beautiful templates and use easy drag-and-drop features to customize!

Get started here.

# STAY CONNECTED WITH BUYERS

It's important to communicate regularly with your customers about the status of your business, your products, operations, and and any protective measures you might have implemented.

Here are some ways to make sure your customers have the latest information about your business during COVID-19:

#### 1. Email updates

Creating an email list of your current and potential customers is the most efficient and reliable way to communicate any updates to your products, your business, or your operations.

Send an initial email to customers with this message:

Hi [CUSTOMERS' NAME],

As you know, at [Your Business Name], customer service is our number one priority. We work hard to provide the best products and the best service for you, and this will continue during the Coronavirus outbreak.

Explain what extra precautions your business is taking, if any Share updated hours of operation, if applicable Notify of any delivery delays Inform customers of new delivery information, if it has changed

If you have any questions, I'm reachable at [PHONE NUMBER] or [EMAIL ADDRESS].

We look forward to continuing to service you.

Thank you, [YOUR NAME]

# 2. Keep your website and social media up-to-date with business information

Be sure to update hours of operation, delivery delays and/or product updates if applicable on your social media channels and website.

#### 3. Continue to send product catalogs

Sending your product catalogs to customers by email is the most effective way to share product-specific updates in real-time. A link to your store is sent directly to your customers' inbox so that they can be reminded to place an order and be kept upto-date with relevant product information.



### CONCLUSION

With increasing uncertainty in the future, it is essential to have something in place as soon as possible. In times like these, it's better to be prepared than to not react at all. We get that this is a stressful time for your business and we want to help.

Local Line is built for farmers doing direct sales. Its easy-to-use platform makes ordering convenient and saves you time on your order packing. It will allow you to stay organized by tracking inventory, orders, invoices, and payments in real-time. Start accepting payments online and coordinating deliveries to give your customers options.

As conventional sales channels like farmers markets are closing, it's time to take charge and make new ones. Make sure you're ready for this surge in demand and we are ready to help you every step of the way.



#### **About Local Line**

# SELL LOCAL FOOD ONLINE

Local Line helps food suppliers doing direct marketing sell their products online, access new markets, and keep organized.

#### **OUR PLATFORM IS BUILT FOR FARMERS:**

Increase Your Sales with an Online Store
Organize Your Fulfillment
Take Control of Your Business

#### GET STARTED TODAY AT LOCALLINE.CA

