

Featured Guest Interviews

Melissa Ballard (@bluegrassbeef, bluegrassbeef.com)

Melissa Ballard: [00:00:10] Hey, my name's Melissa Ballard. I am from Shelbyville, Kentucky, where my husband and I raise beef cattle and then market that as grass-fed, grass-finished beef.

Diego Footer: [00:00:24] When it goes to selling grass-fed beef, there's a few different routes you could go. You can go direct to consumer, and that can be just through an email list that you accumulate locally. You can sell it through an online store. You can go to farmer's markets. If we go back to not now, but when you first started out, what was your plan to market the beef for the herd that you were starting up?

Melissa Ballard: [00:00:46] Oh, man. So we started about 10 years ago. I guess it was in '09 when we marketed our first year, so it's been a little longer than that. And to be honest, I did not have a good plan. We were finishing one steer, and we thought we'll just—this was kind of a trial for us, and we'll sell it to our friends and family and just see how it goes. And I don't recommend that. It's sold well, but I would not recommend going in without a plan.

Diego Footer: [00:01:27] Fair enough, and I think that's a lot of people. Like, the enthusiasm overpowers the practicality side of things. So you sold the first one and you said, okay, well, Hey, we got it there. We crossed the finish line. You must have liked it because you kept doing it. At what point did you start to say, all right, we don't have a plan. We need a plan.

Melissa Ballard: [00:01:49] Right, that's good. So the deep freezer that we had could hold about one steer. So we knew that even if that one sold slowly, we have a place to store it. But then looking ahead, we had a couple—two or three more coming down the pipeline, and we knew we'd either have to sell that or be able to store it.

So at that point, I kind of started exploring other options, and we had a friend that had a vegetable CSA at that point. And she wanted to have some add-on packages to offer her CSA customers. And so, we collaborated with them to create some bundles to add on to her packages. And then I also, at that point, started realizing, oh, I'm going to have to actually market and sell this thing.

I don't know why it took me a minute. I think because this started out as my husband's dream and passion, and I was along for the ride. So, I had to get my mind around, 'I have a part in this. I have a place in this. I'm going to take ownership of this marketing piece do try to do a better job with that.'

So it started around our second group of steers, I would say. And I started advertising a little bit on Facebook. Again, it was more friends and family. I was a little hesitant to jump into a farmer's market situation 'cause I didn't know if I'd have enough meat to actually be able to supply a market, a farmer's market, on a regular basis, and that changed later, but that's kind of where we started, and we just sold in bits and pieces. We did sell by the cut to friends and family and like that.

We also had another kind of unique thing that helped us get started in this. We had a—the processor that we were using was also interested in purchasing live animals from us to, in turn, sell under their label. So we could do things. It helped us expand our herd size and the number of animals that we were finishing without me having to direct market all of them. So we would, say we would take a load of five steers up and we might sell three to them and we keep back two for ourselves for me to market. And then that gradually shifted into me selling more, but it allowed me to grow my marketing, like in a slow and easy way, and eventually we discontinued that relationship with them, but it was a great way for us to get started and just ease into it.

Diego Footer: [00:04:46] Sure. It's a unique version of wholesaling.

Melissa Ballard: [00:04:49] Yes. Yeah. It was like a hybrid model.

Diego Footer: [00:04:53] Yeah. Yeah. Thinking about pairing up with a vegetable farm, having an add-on for their CSA, what do you think the pros and cons of that are in hindsight?

Melissa Ballard: [00:05:06] Yeah. There were a lot of pros, actually. There was a captive audience right there. I was just piggybacking on my friend's marketing and customer base that she had worked really hard to cultivate, and she was happy to help us get started. Like it was a great relationship, and it still is. The downside, I guess, would be, we were selling, we were giving them a cut of the revenue generated there. And so I had to adjust my pricing to cover that and just make sure that we were getting enough and that they were getting enough to make it worth their while to sell and promote our product. That's a kind of a similar wholesale. We weren't selling at wholesale price for them, but it was quite retail as well.

Diego Footer: [00:06:05] Right, right. And as you advance, it sounds like at some point you engaged in farmer's markets, what's been your experience selling with them?

Melissa Ballard: [00:06:13] Yes. Okay. We started out, I finally made the jump. I had really young kids at the time, too, and my husband's a veterinarian, so it's up to me for the kids most of the time. His work schedule is pretty demanding. And so, I just wasn't sure I would be able to manage the selling and the kids and all the things. So I eventually ventured into, we have—our town has a small farmer's market and I thought, this'll be a good place to just get started. Just test the waters, try it out.

So we jumped into that one. It was a very low fee, farmer's market fee, so there wasn't a lot of risk involved other than just my time and the energy that it took to do that every Saturday. And it was successful for us. It was a great way for us to not only move some beef, but to just get our name out in the community.

We wanted to start selling by the quarter, half, whole steer as well. And so I had lots of people inquiring about that, and it allowed us to go ahead and be able to shift away from selling it to our processor that we were using, because I could start moving not only by the cuts, but the quarters, halves, whole steers, that type of bundle for customers.

And so, I started that market and then I had the opportunity to move into another market that as we grew what we were able to process, another opportunity for a larger farmer's market came available. And I was able to jump on that. Eventually that first market that we started selling at kind of went—I don't know that downhill is the right word, but it no longer became profitable for me to sit up there and sell beef.

And that's the risk you take with farmer's markets. If they're not well marketed or just really well promoted, they have a tendency to ebb and flow. The new market that we moved into has been super successful. We still sell there. And then we sell at an additional two markets, so I'm doing three farmer's markets right now, currently. One of them is just an every other week market and the other two are every Saturday. So, we've definitely grown our farmer's market business. And it's been a great way for us to move product, and, like I said before, just to get our name out and make contacts for people that might want to buy larger shares.

Diego Footer: [00:08:53] So if you look at farmers markets as just one slice of the pie, what percentage of sales would you say are through farmer's markets now?

Melissa Ballard: [00:09:02] I would say, 40 to 50% of my sales are through farmer's markets. And I would say 90%, 80% of my work goes—the downside of farmer's markets is they are hugely labor-intensive. So, getting ready for the markets, promoting myself at the market, spending those hours at the market. It's a big time commitment for me.

Diego Footer: [00:09:35] Yeah. And the more people I talked to on farmer's markets doing this interview series it's, and this is not a knock on farmer's markets, it just comes with the territory. It's, you're essentially setting up a store every week and maybe multiple times a week. And like what other business is doing that, you know? They have a retail space, and it's always set up so you have all those additional hours of packing it all up, then setting it up and then selling and then taking it all down and putting it all back. And it just wipes people out. A lot of people say the next day after a farmer's market, like they're shocked.

Melissa Ballard: [00:10:12] The older I get, the more realize it's harder on my body. I am up late the night before, I'm up early in the morning. And our kids are getting older. They're more involved in activities on the weekends that I would like to be part of. My daughter actually comes to the market with me, or she'll go with an employee. She's 10. She'd basically run a booth herself, and it is great. It's teaching her work ethic. She makes change like a boss, but I also want our kids to have balance in their lives. And sometimes she has soccer games on Saturdays and that's okay, but I want to be able to be there for those, too. So I'm really struggling. To be honest, right now, we would like to back away from farmer's markets some and really amp up our other sales channels. And we can talk I'm guessing we're going to talk a little bit more about that.

Diego Footer: [00:11:14] Yeah. Yeah, totally. 'Cause you're the one doing all three of them now?

Melissa Ballard: [00:11:18] So I have a couple of employees that work for me, just super part-time.

Diego Footer: Okay.

Melissa Ballard: They just do farmer's markets for me. But one of them, I drop a trailer off at the market on my way to another market. She sets up, packs everything back into the trailer, and I pick it up on my way home. And then the other one does come to our house and picks up coolers, takes it and sells it. So I have help. I can't be in three places at once, but managing employees is another—in my experience, I've had great employees, but it can be a headache and something else, probably more of a downside than an upside.

Diego Footer: [00:12:02] Yeah. For the three farmer's markets, just thinking on my end, there's a few reasons to do three. One is no single markets can absorb all of the supply that you want

to put into it. It's just not big enough. And the second would be like, you just want to keep growing the business, so one would be fine, but we want to grow more. So we're going to sell at multiples. What's the why behind three?

Melissa Ballard: [00:12:30] Yes, so growth. It was a big thing. We have grown the number of steers that we have processed. We started out with that one, and now we're up to, I think we're going to do 45 this year. So, having an outlet for all of that beef, and I am interested in growing our business, so that is I say, an easy way. It's a dependable way to sell a lot, move a lot of products.

Two of the markets are in a similar area in terms of customers, but the third that we've jumped into this year, it is reaching an entirely new town, an entirely new customer base. And so, I have the opportunity there to really capitalize on an entirely new group of customers there.

It's still close enough that, they can come to our home to pick up if we move more in that direction, and it's also a place that is close enough for me to drive. I've done some deliveries there during off times of the farmer's market. And so, I've also been able to, from that new market, capture a whole new group of customers that are interested in again, those large quantities, the quarters, halves, wholes, and larger bundles that we're doing.

So really expansion, is my why behind of that. And just being able to grow and move more product. With doing one farmer's market, once you hit two, like, three was not that much more for me to do, really, in terms of the prep and everything. I kind of do it all at once, so yeah.

Diego Footer: [00:14:11] Yeah. When you go to a new farmer's market, new location, so, let's assume you're brand new to people, they just haven't heard of you at all. And you want to move people into the larger bulk programs. The quarters, wholes, halves. How do you start to put that option out there? What have you found works to introducing and then ultimately getting people into those bigger programs?

Melissa Ballard: [00:14:40] Sure. And to be clear, we do move a fair number or a fair amount of beef in those bulk programs, but I do need to maintain a certain amount of the retail cuts. The way we're structured, because to be quite honest, I make more money on the retail cuts. If I'm selling someone, so they may be buying smaller amounts, but my markup is a lot higher if they're buying some rib eyes and some filets than if they're getting them in the bulk program, so I do like to have a balance of those customers.

But I have found that, and this is crazy. It's crazy what COVID did for the markets. It's turned everything upside down. My wholesale packages now, my large bundles are flying off the shelves. People, I think, when they saw the grocery stores empty, and they saw that deep freezes were really hard to come by, it created that demand and that scarcity mindset in people. And so, moving into this new market, I have people, instead of me putting up—in the past, I would have flyers about it. I would talk to people, we do sell these larger shares. It was a lot of just me kind of communicating that.

Now, I have people coming up to me asking, do you sell quarter beef? Do you sell half a beef? Really interested in doing that this year. And I'm pretty much sold out for this year. So I'm not even, I'm not even marketing those right now.

Diego Footer: [00:16:29] And it's a great problem to have, right?

Melissa Ballard: [00:16:31] Yeah. It is a wonderful problem to have and not a problem that I am used to having, but it's okay.

Diego Footer: [00:16:39] Right. Sure. In a perfect world, you'd probably want to sell 10 out of 10 cows via retail because that's where you're going to get the most money.

Melissa Ballard: Yes.

Diego Footer: But that's obviously not always practical. So you got to adapt. With your current market mix, what's about a rough target? If you have 10 beef, how many do you allocate to the retail side? And how many are you going to, like you're saying, we need to sell some wholesale—or not wholesale, bulk, but this is what we could feel comfortable out of 10 to sell bulk because we needed to retain the rest for retail?

Melissa Ballard: [00:17:19] I've shifted this year in my mindset a little bit, and I'm trying to do 50/50. So 50% in our bulk program and 50% retail cuts. The other thing that I'm doing as I'm finding, if I'm having trouble moving some of the retail cuts, another great option that I utilize is to just create some smaller bundles, so maybe like a 20-pound bundle or a 10-pound. I can promote them as specials at the farmer's market, and I mark those down much less than our bulk quarter, halves, and wholes. So the discount on those is much less. I'm a lot closer to retail pricing on those, but people really bite on those, I've found.

People don't like to make decisions many times. And so, if you offer a bundle to them, a small one that will fit just in a regular-sized freezer, that's 10, 15 pounds of beef, it's like, oh, give me that bundle. I don't have to choose anything. And it's easy. And it feels like a good—like I'm getting a deal, and they kind of are, but not as much of a deal as they would be getting if they were buying bulk or larger.

Diego Footer: [00:18:42] Yeah, right. It seems manageable, too. Ten pounds of beef is less intimidating than getting a—what's a quarter at? 50? 60?

Melissa Ballard: [00:18:51] Yeah. So ours is 75, about 75 pounds. Yeah. Yeah. It is. It is manageable. Some people are very intimidated to jump into those larger bundle or the larger bulk purchases, but 10 pounds, 15 pounds, super manageable. We eat 10 pounds of ground beef in like two weeks.

Diego Footer: [00:19:17] Right, right. See, you just mentioned COVID has weirded things, and that's this lens that's been applied across the whole retail landscape from just, stuff you'd buy at a brick-and-mortar store through food, it's really changed the game. And it's hard, I think, for a lot of small businesses, I face this challenge as a small retailer.

When you see demand up now, like your wholes, halves, quarters sold out for the year, and that's a great problem to have. How do you factor in the COVID effect? Like you could say, okay, well, let's increase the herd, let's buy stockers or whatever we're going to do to try and get more. So now next year, if we had 10 units to sell, we can sell 15 units of bulk, but it was COVID. And is this going to last? So how have you guys reconciled that weirdness?

Melissa Ballard: [00:20:12] That is such a good question. And it's one that we have wrestled with through all of this. Our business model is such that—or our production model, I should

say, and our philosophy, we raise everything on our farm from birth to finish. So, we didn't have—the temptation was there, but to stay true to what we do, we knew we couldn't just buy some stockers from someone else and do that. And we didn't really want to go in that direction, but we did have some options.

We were planning on expanding this year, anyway, and we have. We made a pretty decent-sized jump, but I'm trying to keep in the back of my mind constantly. This could be not real, like, this could be fake. COVID growth. And that to me is where customer service and marketing really, really comes in.

And yes, we have seen this huge influx of customers, but with it, I feel comes a great opportunity and great responsibility. And so, these people are trying local foods sometimes for the first time. And they're realizing how good it is, but it is my responsibility as a business owner to not get lazy with my marketing and my customer service and all of those things that will make the customer experience good enough to where they want to stay and continue to be repeat customers.

So I realized that more of what we experienced last year over this year, some of that was panic buying. Some of those were people that are going to go right back to Kroger or Walmart or whatever when the meat was back on the shelves, but there's still a pretty good percentage. We've seen quite a bit of customer retention, and I think a lot of that comes down to just to customer service and marketing and really helping people feel like they're buying into something that's much bigger than what they're buying when they're buying at the grocery store.

Diego Footer: [00:22:24] Right. Well, customer service is a great transition for this. What do you think you do well that helps customers stick around?

Melissa Ballard: [00:22:38] Oh, that's hard. It's hard to talk about yourself. I think I tell our story well.

Diego Footer: [00:22:46] It's all good, you got free rein to do it.

Melissa Ballard: [00:22:47] In the south, we were taught to be modest, to not brag about ourselves. I think I share our story well with people. And I think that people want to be part of what we're doing. And I think I do that verbally when I just am talking to people, customers, and I try to do that well on social media. And I get comments back from friends and customers like, we love, I love it when you post X, Y, and Z. I love seeing what you all are doing on the farm. I love feeling, you make me feel like I'm a part of what you guys are doing. And so that is good feedback to me that I'm sharing our story well. Yeah, I think that's—

Diego Footer: [00:23:38] Well, let me pause you there.

Melissa Ballard: Sure.

Diego Footer: Sharing your story. I mean, that sounds basic, but what does that mean to you when you go outbound with it on Instagram or in an email? What do you try and do to I'll say market, but that comes across as that's inauthentic, but just communicate, Hey, here's what we're doing. And what have you found people resonate with?

Melissa Ballard: [00:24:08] I've found that people, most of my customers, are so disconnected from what farm life really is. That even basic things like, we turned our bulls out with our cows just over the past couple of days, and I'm getting ready to post a thing on Instagram about that. And why we do that and the timing of it, and people have no clue about any of that stuff. And so even little things that we take for granted, I had a lamb that was a triplet that was not—that I was having to bottle feed. And I took people through that process in my posts and in my stories, like he's not taking the bottle well, and now he is, and people just. It's like they are craving. I tell my husband all the time, people are craving connection to the land, whether they realize it or not. I think that's in us all, that there's some craving for connection to where our food comes from, the land, the outdoors, whether people acknowledge it or not. And so any of those little experiences that are just daily whatever to me, when I share those, people respond really well to that, and they want to be a part of that. I also I'll say this to you.

Diego Footer: [00:25:41] Yeah, that's cool hearing.

Melissa Ballard: [00:25:45] I'm sorry.

Diego Footer: Go ahead.

Melissa Ballard: I'll say this, too. I also try to share the more real moments. Social media can be a place where everyone only shares their positive things. And I think it's also important to share—I heard someone say, and this was such good advice. It was another person that's really good at farm marketing. And she said, we like to share the good and the bad, but not really the ugly.

So, sharing the good things, but also the bad things that can happen on a farm without being too graphic or turning people off. I think that it makes you seem—you're just more real and authentic when you share the ups and the downs, because farming is not all rainbows and unicorns, as we all know, and it's good for people to see that, too.

Diego Footer: [00:26:44] Yeah. You just come across as authentic. And that's what differentiates us from a Kroger who is just a big company, and they're...it's hard to tell a story in a big company. And through your posts, telling the stories on the farm, what are your thoughts on this?

There's a few ways to market, meaning to put something out there, to try and end up with a sale. And one way is to, "Here, buy this, check out our new stuff," or straight up recognizable marketing, and then another route that can run in parallel to that is, "Here's what we do. Here's the good, here's the bad, not the ugly, but here's our story." And then people see that. They resonate with you guys. And then they're like, oh, we love them. We just want to buy from them without you ever having to tell them, Hey, buy from us. But it's they become vested in the farm, in this story, in contributing maybe in a way to agriculture that they can't. What are your thoughts on that?

Melissa Ballard: [00:27:50] Yes, I—and the second approach is more my approach. I think there's a balance because if you share your story all the time, only share your story, and there's never a call to action, then people can just view you as entertainment and kind of forget about, oh, they actually do have a product for sale, but I try to make—I'm just not a salesy person. And I think maybe customers appreciate that in some way. If they're not—you know, not everyone is going to buy for me.

There are going to be people that follow me on Instagram, or even be able to get my email marketing letters that just are tuning in for the entertainment, and that's okay. And then there's going to be that percentage of people that do want to buy from us. And so, it's good to put that in front of them on a regular basis as well.

But I try to ascribe to like the 80-20 rule, 80% of the time, I'm just, I'm sharing what we are doing. And 20% of the time I'm going to give some sort of call to action or talk about the farmer's markets that we're going to be at that weekend or send an email that has a special in it with a shop now button, things like that. So, there's definitely a balance there. I think, with what we do, it works best for us to spend the majority of our time sharing what we do, and the sales have come from that.

Diego Footer: [00:29:29] Now sending emails with a shop now button, something you can't do if you're only at a farmer's market because shop now means we'll shop on Saturday or drive there and come get it. So I'm sure that's been a game changer, or has it? Like how much has it changed the business to be able to put out that call to action on email, in Instagram or wherever, and actually take it to somewhere where somebody can do something right now?

Melissa Ballard: [00:29:58] It's huge. It is huge. So, for a long time, I fought the online sales angle, and I'm like, I'm doing fine. I'm doing fine at farmer's markets. I don't really need to sell in any other way, but then we continued to grow and just managing sales and inventory and things like that was starting to get a little more hairy.

And I also was starting to look for other ways to sell other than the farmer's market, so I thought maybe we should explore some sort of online selling where people could order ahead for the farmer's market or pick up at our home, and something that would help me create invoices and just manage things a little bit better, and that's when I came across Local Line. I was not utilizing Local Line the way that I really should. I wasn't promoting it, marketing it well until just before COVID.

But I guess to go back to your initial question, just being able to put that call to action, that shop now button on there, where people can take action right then. Every time I send an email, sales. I get sales every single time. But when I make an Instagram post or a Facebook post or whatever, that doesn't always result in sales. But those that call to action, having that shop now button where people can immediately take action, they see that picture of those rib eyes or whatever, and then they can click on a button and buy those rib eyes, it has been a game changer for us, to be honest.

Diego Footer: [00:31:56] Yeah. I can imagine. That's the part, I think, that would really frustrate me with a one-day-a-week sales model, because it feels like you'd lose a lot of people in the net. If your market's on Saturday, you could send the email on Friday, but if they don't check the email on Friday, like it's a moot point. They've missed her opportunity until next week.

If you send it on Wednesday, then they gotta remember to come on Saturday to go get it, or I can't get it. You're very limited as a retailer when it's like, you have to do something at a future date and oh, by the way, you have to get yourself there to get it and park and do all that. Like, unless it's some ultra-rare thing, like the new iPhone or some shoes or the crazy Christmas toy that people wait in line for. I think with online shopping now, like that's becoming less and less of a thing people are just willing to do.

Melissa Ballard: [00:32:52] Yes. I think that farmer's markets are good. They are important for communities. There's always going to be a segment of the population that will shop at a farmer's market. But I think, and especially with COVID and just the onset of companies like Amazon and all the things, whether we like to admit it or not, they have reconditioned us and trained our brains to shop online. And so, there's really no reason that farmers should not move into that space as well. In fact, there's every reason to move into that space.

Diego Footer: [00:33:40] And you say that now, and you said initially you fought it and fought it and fought it. What were some of the reservations you had back then?

Melissa Ballard: [00:33:47] Yes. So, one was, I just didn't think that it was necessary. Like I'm doing fine the way that I am without these online sales, but when I really thought hard about growth and wanting to grow, that was the next logical step. I was also a little worried about losing some customer connection just by moving to an online, sales platform, but in all honesty, it's made connecting with my customers easier. I don't know if that makes sense, but I'm able to.

Because the online sales is handling all of the stuff that would take my time, so the ordering, the back and forth of the, okay, you want how many rib eyes, and okay there, this price, just all the back and forth there. The customer can do that and handle that themselves along with Local Line. That takes that part. So I have more time now, actually, to communicate to my customers, to send them a thank you email, to post on social media or write that marketing newsletter because I'm not spending so much time on the ordering back and forth and the inventory piece and just taking care of all of those little pieces that take up a lot of time.

Diego Footer: [00:35:19] Yeah. And I think a lot of people worry about that loss of connection, but I think if we're honest with ourselves, a lot of our connections now are online. It's through social media or people that we watch or follow on YouTube, and I know some people are throwing up their hands saying that's not real, that doesn't count, but I don't know.

I think there's a lot of people that I have pretty strong connections with through Instagram and stuff that I've never met in person. And I would almost consider them friends at this point. And so my connection is maintained there. It's not an in-person, and sometimes it's because physically it couldn't be in person. I'm so far away from where they're at.

So you're not nameless and faceless because the in-person part of the farmer's market experience is now just been done through social. And I like what you said, well, you could potentially have more of a connection with that customer because if they place an order online, you can follow up and email them. They can call you directly with a problem. You can chat it through with them. You can probably take more time than you could at a farmer's market to chat it through.

Melissa Ballard: Yes.

Diego Footer: So, I think you can say. It's a way to lose connection, and if you really believe that, it will be, but you can also flip that and make it an advantage and say, we can have an enhanced connection here because we can tell our story more. We can get them more invested in the brand and get to learn about them if they respond back. Oh, we love what you're doing, dah, dah, dah.

Melissa Ballard: [00:36:54] Yes. I agree. A hundred percent.

Diego Footer: [00:36:58] One thing that I think you guys have done really well, and this sounds like this is your role in the business, is your web page, bluegrassbeef.com. It's on Squarespace. It's super clean. I love just the look of it, the logo. Right when you go on a hundred percent, grass-finished beef, Kentucky-grazed, regeneratively raised. A nice little wordplay. You know, it's amazing. How important do you think, or let me back up, what role do you feel that the website plays in the online store?

Like, when you do a post or an email, you probably just link to an online store, but you also send them through a link 'cause if you want to tell your story, you link to your website, which then links to the online store. So how does the website fit into the sales model?

Melissa Ballard: [00:37:50] Yeah. I see our website as a place and I, when I was building that, I tried to put a lot of thought into what is the purpose of this site? Because I think websites can serve several different purposes. And we saw ours as a place to go into a little more depth about who we are and what we do. You get snippets on social media, but if people really want to see what our philosophy is in terms of the way that we raise our cattle, I will send them to our website.

I also think that the website serves as a place—who does not Google things these days? Like there's a whole segment of people out there, in our area that are going to Google grass-fed beef, central Kentucky or Shelbyville, Kentucky. Even Louisville, Kentucky, which is our surrounding larger city.

And so, I know there have been people that have stumbled across our website through those channels that would not have found me on social media. Maybe wouldn't have seen me at the farmer's market and just reaches. You have the potential to reach a different group of people there that you may not be reaching in other channels.

And I worked, thank you for all the compliments on our website. 'Cause I did work really hard to make it clean, to make what we were doing and what we were selling front and center, because I don't want someone to come to our website and have to scroll down to figure out that we're raising grass-fed beef.

I want people to see that first and foremost. And I put that little shop now button on every page in multiple places. And so, when people are ready to make that purchase, I wanted that to be easy for them to access. And we have, it definitely drove sales for us, the website.

Diego Footer: [00:40:05] Yeah. It's super clear. I mean, right when you show up, you see the shop beef button and then you can read a little bit about beef is the best, and then Bluegrass, and then shop our beef right there. So what you said about, I need to know what the purpose of my website is when I make it, I think is really key. And I think that's clearly defined. It's telling your story, but first and foremost, it's saying, Hey, we sell this. If you want to buy it, here it is.

Melissa Ballard: [00:40:34] Yes, one thing I really wanted to make sure that was on our website too, were our faces. I did a lot of research when I was trying to redo—we had an old website, and I was working on redoing ours. And so, I went to a lot of websites of people that are doing similar things as us. Many times, I would look on a site, and I never saw the farmer's face. I saw great pictures of their product or their animals or what they were doing, but I want to know who is raising that beef.

And so, I thought it was really important for people. And to me, it is an important part of sharing your story and what you're doing, whether it's on your website, whether it's on your Instagram or your Facebook, or however you're doing that, for your customers to see your face and whoever's raising the beef. And I know people go back and forth about their kids. There are people that don't want their kids on social media, their faces or online, I totally get that. And I think there are ways to get around that. We feel like our kids are part of our story. And so, we put our family out there for good, bad, or indifferent.

Diego Footer: [00:41:47] Yeah, I think that's a key point. I'm glad you brought that up. I think about my behavior on a lot of websites, and if it's not a big website, then I'm usually checking the about page to see what's going on. And especially, like now with consumer goods, you don't know, is this like some, front website for some company in China, that's just sending stuff. And we've trained ourselves to look for who's actually behind this, and there is something about seeing, okay, that's a person.

If I'm looking for local, I can see, okay, that looks like local to me, the landscape and all that. Alright, I resonate. I'm safe to proceed here. This isn't just some—you know, there's just a lot of scam websites out there now.

Melissa Ballard: Sure.

Diego Footer: When you've gone over now to Local Line to list your store, you have all your products listed on Local Line. What have you found has made it successful in terms of listing products? And by that, I mean, there's a lot of variables when you list something. You could have an image, you could have the name of the product, the description, variation in pack size, or you get a one pack, a four pack by the pound, by the five pound. When you went to put products on to the site, what have you found works?

Melissa Ballard: [00:43:12] Well, I'll tell you one thing that I'm not doing a good job on in listing my products. I'm going rogue here for a minute. I'm not doing a good job of product photos. That is one area that I—that's on my list of things to do this summer is to make sure I'm getting some really good photographs of my products and getting them on the site because I think that can make a huge difference when people are shopping online. Even if it's just a photo snapped with a phone and just set up nice, I just think those product photos are super important, and I'm failing in that area. So, we'll just get that out of the way.

Diego Footer: [00:43:59] Well, and I have a thought on that, and let me know what you think, because I'm on the opposite side. So you're on the farm side, so you're deeply connected to that. And I'm on the consumer side, like I don't raise meat animals.

So here's my thought: if you're selling vegetables, I think vegetables are very self-explanatory. I carrot is a carrot, and I don't need to see a carrot and ranch or a carrot by itself, or a carrot juice or a cooked carrot to say I want to buy that carrot. Or I feel like with meat, as a consumer, I don't want to see a cut of uncooked steak. That's not like, oh, I want to buy that. I want to see the cooked steak with like a slice cut out of it. And like the final product, the food porn side of it, food and wine style.

Like, this is what you can make with that product. And I think that's where beef and vegetables different. That's always been my theory, and I've talked to people about this. I'm not sure where that lands, but an imagery when it comes to the meat side, I think that's what I would want to see. Cooked chicken, cooked steak, cooked brat, or just on the grill, that type

of thing, where you're creating an experience versus, oh, what are those things that are shrink, wrapped? Like I can't really tell what that is.

Melissa Ballard: [00:45:18] Yes. So that is apparently a controversial—you know, people have very strong opinions and ideas about raw or cooked, whatever. I'm with you. I think the cooked product is a more appetizing image for our customers. And so, I would, if I was going to post product photos, I would do that. And that's part of why I haven't, I don't have a lot of product photos out there is it does take time. You've got to cook the thing, you've got to photograph it. So, you have to go to the trouble to do that.

Or you can use stock photos. My husband is very—like, Josh does not have opinions on a lot of things, but he has one opinion about photos. He wants it to be our meat that is on there, not just a stock photo, if you're going to do that. I don't. I mean, I don't know that it matters that much, so we've been going through—

Diego Footer: [00:46:22] Well, it can be deceiving 'cause it can—

Melissa Ballard: It can.

Diego Footer: I was gonna say it can be deceiving because I look at DoorDash and Uber eats and stuff here, and there's restaurants by us and I see the photos on the site and then I'm like, I've been there. I know what you get. And it doesn't look like that.

Melissa Ballard: [00:46:37] Yes. Yeah, you're right. You're right. And so, ours being grass-fed, we have marbling it in our steaks, but it's going to look different than a corn-fed ribeye from a steer that's been standing in a feed lot. And so, I do see what he means and how he feels about, we want to give a realistic image of what our customers are going to be getting.

And that's a good real steak, we're proud of our product. But I am slowly, as we're doing family dinners and things, I'm trying to photograph what we're eating, so eventually I'll get all those right on to the site. It takes some time and energy, but I do think those product photos are super important.

Diego Footer: [00:47:27] I know you have them, but I'll say this, you've created that experience I think in a different way, because if I look beef bratwurst links, cheddar jalapeno flavor. Cheddar jalapeno links are hands down our family's favorite brat, are they spicy? Yes, they have jalapenos in them, but if you can handle some moderate to heat, you'll love these on the grill.

Beef bratwurst, regular. Perfect on the grill or cooked with beer, a summer staple for our family. So you might not have pictures, but I think you're doing a great job with your descriptions creating that picture in somebody's mind. And again, I think this is different than with meat than vegetables, but I think that even veggie farmers could benefit from this. Like your descriptions are not just four-pack, grass-fed, like we know they're grass-fed because everything on here is grass-fed and it's not just—it's details. It sucks you in.

Melissa Ballard: [00:48:22] Good. 'Cause I tried, I worked really hard on those. 'Cause I do want people to —I want someone to be able to read that, not only want one, I want them to read that and then be like, I want those cheddar jalapeno brats.

But I also don't want them to have a lot of questions because view it from this standpoint: if someone reads that and then they have questions, that's one more email, one more barrier to a sale. One more thing that is going to take my time that I don't have time for, I don't mind communicating with customers on the questions, but I want them to read that description, not have any questions and pull that trigger to buy it. And that's that. And I do think those product descriptions are very important.

Another thing that we have found works really well for us with Local Line, initially, when we started selling online, we wanted to sell by the weight. So, the exact weight of every single product that our customers were getting. It's a lot of back and forth. So it's a lot of them making the purchase. You correcting the invoice when you actually fill the order. And then you messaging that back to them.

We switched to packaged pricing and it's been life-changing. I'm exaggerating, but it has made a huge difference in the time that I'm spending on the back and forth and customer—I was hugely hesitant to package pricing cause I'm like, I'm either going to be cheating someone on this end or I'm going to be, like, overcharging on this end or undercharging on this end.

But I narrowed down my packages in terms of, for example, we have a medium-sized bone-in ribeye, a large size bone-in ribeye, an extra-large, and a cowboy cuts. And so, I've narrowed in those price ranges. I charge at the upper end, but I have them narrow enough to where if someone's getting something on the lower end, they're still paying a fair price for that.

And it has made a huge difference in the way that we're selling and the ease in which I'm able to fill orders and all of that. It's easier for the customer, too. Like, there's no question. They're getting this, it's this price it's in this size range. They know what they're getting. It's easy.

Diego Footer: [00:51:13] That's it. Because if I'm ordering in ribeye, I think small, medium, large, extra-large resonate more with me as somebody like who doesn't eat that a lot, than 1.2 pounds, 0.8 pounds. Okay, large. All right, we'll try the large or as, I really want small, I just want to try it. So that makes sense. And it eliminates, like you said that, how do you line up inventory when you have, effectively, an infinite weight range? You're going to be putting them in weight categories, anyway. Probably in a walk-in, I'm thinking. So we're going to have the 1-1.2's all in a box. And then when somebody orders a 1.1, okay. We got to go find that. Why don't you just call it all extra-large?

Melissa Ballard: [00:52:00] Yes. Yeah. It's just made everything a lot easier for us, for sure.

Diego Footer: [00:52:06] One thing you have listed in your online store is the stock level. Is that intentional? Like, do you find that helps having that there?

Melissa Ballard: [00:52:17] Yes. So that was actually one thing that I had requested of Local Line. I wanted customers to be able to see products even when they were out of stock. And I wanted people to be able to see when something was getting low. If there's only one more, if there are two cowboy cut rib eyes left, to me, that creates a sense of urgency. I need to go on and buy that.

And then I was getting a lot of questions about—'cause some growers or farmers, I understand don't really want their customers to see things that are out of stock, but I am

okay with customers getting on, exploring what we have, seeing that things are out of stock, seeing what goes quickly.

And so, when I do send that email or make that announcement on social media that we've restocked, to me that creates that urgency of, I wanted one of those rib-eyes last time—I keep using rib eyes as an example because it's a big seller for us. I saw those rib-eyes on there. They were out of stock. I really wanted them. I need to get on there and order those before they're gone again. So I think the stock levels are a good tool for me to be able to use, honestly.

Diego Footer: [00:53:41] I agree. I like that. And I think for people who think, maybe that adds clutter to the website, it might, but I see there's an option here. You can just check hide out of stock. All the out-of-stock stuff goes away if you don't want to see that.

But if you think about just personal buying it, I know I do this. There's something scarce, oh, I missed out on it. Notify me when back in stock type button. And then I'm waiting or more in stock on June 12th. Okay, that I might look for if I really want it, I got to go back. Whereas if I never, if you just removed it, I never knew you had it. I'm not even thinking about it in the first place.

Melissa Ballard: [00:54:15] Yes, I apologize. My dog is barking.

Diego Footer: [00:54:19] No, no, it's all good. This is part of the good, the bad. So it's all good.

Melissa Ballard: [00:54:26] That's right.

Diego Footer: Yeah, we'll roll with that.

Melissa Ballard: I need to take the dog out, but it's not happening.

Diego Footer: [00:54:34] When you look at your online store, farmer's markets were, you said were about 50% of the sales pie. Where's online right now?

Melissa Ballard: [00:54:44] Oh, that's a good question. And it's one that I haven't taken a lot of time to really analyze in terms of hard numbers. I'd say, honestly, we're not—I'm encouraging anyone that is not contacting me through a farmer's market. I'm encouraging them to go online and make their purchases that way. We probably sell—some people, when they're ordering the large, the bulk, the quarter, the half, the whole—they'll shoot me an email, and I can log an order for them that way. We'll communicate in that way. It's not necessarily crucial for them to go into our online store and say, I want to reserve a whole steer. I do have those options on there, and I do get sales through that, but I'd say maybe 10% of our orders come in that way.

And then the rest are through our online store. And when people order online, we have several options for them. They can either choose to pick up at a farmer's market. I can have that available for them there. Or we do porch pick-ups from our farm, like farm pickups. And that is the direction I'm trying to send more and more people because it's more convenient for me. I don't even have to be home. We're in an area of the country where I can leave that on my porch and people, if they haven't paid online, they can leave payments for me in that cooler after they've picked up their product, and I don't worry about it.

And I really like that model. We're also exploring some things like shipping and things like that, that we're not there yet. But again, that would be another way to use online sales. But, so I think your initial question was what percentage. I'd say about 40% would be from the online sales if you take out the 10 that I do via email and phone, things like that.

Diego Footer: [00:56:50] Yeah. So given that, with somebody who initially had a lot of reservations about going online, what are your thoughts about being able to sell the product online today?

Melissa Ballard: [00:57:03] I think it has changed our business for the better by far. There are just so many positive things that I can say about selling online in terms of the customer experience, the trouble that it saves me on the back end, the inventory management, just all of those things. I can't, at this point, imagine going back to not selling online, I can't even imagine. And I really wish that we had done it sooner.

Diego Footer: [00:57:42] It's probably, I'm assuming, that a lot of the customers buying from you online are customers that never would have bought from you at a farmer's market not because they didn't like it at a farmer's market. They just—that's not what they do. They don't go to farmer's markets.

Melissa Ballard: [00:57:57] I think we definitely get some of those. I try—I say that, but I'm also trying to convert some of those farmer's market customers into buying online, if that makes sense. So we're in a season where I am trying to back away from the farmer's markets. We're trying to move into that direction. So, I do try to tell everyone at the farmer's market, oh, we actually have an online ordering option. And because I get people that do come to the farmer's market, they're there to buy product because they need to get product, but it's not the most convenient way for them to shop and not to try to pull people away from farmer's markets, but we're offering them another option that may fit into their life better by the farm pickup and the online selling.

And so, I've had customers that move away from shopping at the farmer's market and have moved towards buying online. Plus, when they come to my house, they get to see a cute bottle calf and some lambs, that sort of thing is a draw as well. And so, I'm not sure that—I *am* reaching customers that would never buy at farmer's markets for sure. But I'm also reaching some of those people that may be shopping at a farmer's market, but it's just not working out for them. I'm trying to capture those as well.

Diego Footer: [00:59:30] Have you ever thought about offering a discount to people who buy online and maybe it's not a discount, maybe you just charge more at a farmer's market and say, Hey, if you buy this online, it's 10% cheaper. I've seen a lot of brands, big brands go this way. If you order on their app ahead of time, you either get a bonus or you get some sort of savings because they want you to order through the app. It's just more convenient. It saves the congestion in the store. If you are trying to move in that direction, and this is just kind of me throwing out an idea, what are your thoughts on that of really setting an advantage to buying online over farmer's market?

Melissa Ballard: [01:00:15] That is a very interesting thing that I have honestly never thought about. And I'm kinda sad to say I didn't think about that. I don't know. I am so careful to offer discounts of any time—'cause we do—of any kind, because we do value our product so much. It's very rare that I offer any sort of discount that may be a good carrot to dangle if I'm trying

to get people to order. And again, you would just have to build it into your pricing, to take into account that discount that you're offering them, but yeah, that is definitely—

Diego Footer: [01:00:59] Well, I don't think you don't even have to offer a d—yeah. I'm thinking you don't even have to offer a discount. It's like, you keep your retail price online the same, but you mark up the farmer's market. So you've not discounted or it's like, Hey, we have, I don't know if you save them like a bunch of beef bones or some something you just can't get rid of, but it's oh, with every online order, you get a free thing worth. If you order over, \$50, you get \$10 of something free, and it's something we have trouble getting rid of anyway.

Melissa Ballard: [01:01:30] Yes. Yes. I like offering an incentive of that type, for sure. That is, you've gotten our wheels turning, Diego. That's something, that could definitely help drive some of those online sales. for sure. I'm gonna think on that. I'll have to get back to you on that.

Diego Footer: [01:01:52] Just to start to close it out. One thought for selling online, like inventory management is crucial because you have to know what quantity you're putting up there. If you're off, it's going to create all sorts of issues, where if you're selling at a farmer's market, if you bring what you bring, and you have it, or you don't. It's not as big of an issue. How has it been shifting to an inventory importance model? 'Cause I know a lot of meat farmers, like they don't inventory what's in their walk-in, but when you go online, you got to do that. Was that a big shift?

Melissa Ballard: [01:02:29] It was. It was a shift. And I mess some things up early on, especially when COVID hit, and we went on lockdown. People started panic buying, and I was getting a high volume of sales in a very short amount of time. That inventory was crucial.

And there were a couple of times that I oversold and had to say, I'm sorry, I'm out of that. We can sub something out or whatever. So I had to learn that lesson really quickly, because pre that, we were, if I was a little off on my inventory, it was not that big of a deal, I could go in and figure it out. Things weren't flying out of the inventory anyway.

So, now, I try—because I am selling it farmer's markets and online, so that presents a challenge. I try to err on the side of caution on the inventory that I am putting online and allow for some wiggle room. I also do things like when I pick up beef from the processor, and we're going through—we inventory it as we put it into the freezer, but there's always going to be outliers that don't fit my online categories.

I immediately set those aside. Those are farmer's market cuts. Super easy way to just have those in a separate place, those go to the farmer's markets. So they never even enter my online inventory. And it is important to go through on occasion, and just like you were saying before, we don't have a walk-in freezer, unfortunately.

That's like, that's on my dream list, but we do have an obscene amount of chest freezers that, so I do organize things in there. And it's good practice to just go through from time to time, recheck that inventory, make sure that things are lining up. And, if I ever have a question and I think, oh, that looks a little off, Local Line's great 'cause you can just shut it down. Super.

Like, if I think my small filet number online is not actually what it is, or I've messed up in somehow, I can just hide that product until I get that figured out and then bring it back up

when I'm comfortable with the inventory amount. So, there's lots of little things that you can do to save yourself trouble on the back end, but it wasn't adjustment.

Diego Footer: [01:05:11] Yeah, no, those are great tips. I love those. So, thanks for sharing those. And one final thing. For a livestock farmer or even a vege farmer who was in your position, they're hesitant, I don't know, I'm doing the farmer's market. It seems to be working well. They're not thinking about, or they're hesitant to go online. What would you tell them?

Melissa Ballard: [01:05:36] One other thing that we have not—that I haven't mentioned in the conversation today is how much our sales increased when we started selling online. So, this is what I would tell them, just try this, do a good job marketing it and putting it out. You have to give it an actual try. You can't just jump online, jump onto selling online and hope it all just works out.

But one huge thing that we have seen that really convinced me that this was a good thing, to be selling online. The amount of my orders, the amount that people were ordering online in one swoop was much higher than what I would be selling someone at a farmer's market or whatever.

I think something happens to our brains when we get online, and we're buying things and we're filling up that cart and it's oh, I'll take four of these. Oh, these look really good, too. Let's add those on, oh, and I need some ground beef, so I'm going to add that. And that just, it adds up. Then people pull the trigger on it.

And so, our sales amounts just really increased from what we were doing before just selling at a farmer's market. And I'm not having to load that meat up and take it to a farmer's market every week. So there's the added benefit of that.

But I would say give it a... For someone that's on the fence, give it a solid try. Not just hearted, not just, I'll try this for a few months and see what happens. You really need to give it a good, solid try, promote it well. Really lean into using the system and just see what happens. And I would guess that your sales would go up because ours did.

Diego Footer: [01:07:36] And just to put the sales up in context, you don't have to give numbers, but Bluegrass Beef before selling online and Bluegrass Beef now selling online. Sales are up a bit, significantly, dramatically, more than we ever expected. What would you say?

Melissa Ballard: [01:07:54] Sales are up, I would say, significantly. It's not—it wasn't just a little amount. Like, sales went up \$10 a month or whatever. It was a significant amount that our sales increased over the year. There are some seasons that people use it more than others. So I think it's good to look at it over the context of six months or a year, a period of time and look at what—and when I analyze the number of sales that people have made online versus just in-person at the farmer's market, that number is significantly higher, and it continues to increase. But part of that is making sure people know that is an option for them.

Diego Footer: [01:08:47] And tell me if I'm wrong here, but that's a significant sales increase with not that much work. Don't get me wrong, there's work setting it up, there's work fulfilling and doing all that. But if you want it to significantly increase farmer's market sales, that probably means doing a lot more farmer's markets. That's for sure a lot of work, like a lot of hours that somebody's putting in.

Where if you do this, like anything, there's work involved, but compared to adding another farmer's market, it's got to be way, way less work.

Melissa Ballard: [01:09:20] Way less. Way less work. I mean, think about it in this way. What would be more work: starting, selling at a new farmer's market or consistently writing an email that goes out to your email list with a shop now button? What is more work there?

And then those sales. They roll in. I open my email every day, and I see notifications of sales that came in over the last whatever period that I wasn't—I mean, they're appearing there. I didn't have to go to a farmer's market and sell that beef. So there is, you're right.

It's a different kind of work because it does involve—I don't want people to think that it is just setting up the online store, and then the sales just automatically rolling. You have to train your customers to understand that this is an option. And then you have to promote it to new customers as well and get those contacts and get that store in front of people. But the work after as you're doing that, the sales increase significantly, much more significantly from that than say, starting selling at a new farmer's market would in our experience.

Diego Footer: [01:10:43] All right. That's great. Thanks.

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