
Chapter 9

Goat Marketing

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Producing a goat kid is only the first step in a meat goat operation. The next step is to market or sell the kid. Goat production is not an industry where an operation is started and buyers come to it. Goat production is like most other agricultural enterprises because producers must be able to find and/or develop their own marketing channels. Goat kids can be sold in several different ways. Producers must determine which method is best for their operation and develop a plan for that marketing channel. This is the marketing plan discussed as a part of the business plan in Chapter 1.

Marketing Plan

As mentioned in Chapter 1, a marketing plan is a detailed program to promote and sell a product, in this case goats. To develop a marketing plan, producers must answer three questions:

1. What to sell?
2. Where to sell?
3. When to sell?

Once these questions are answered, producers can develop a marketing plan.

What to Sell?

At first, this seems to be a simple question. Most goat producers are going to sell goats, but what type, size and sex of goat will they sell? Are producers going to sell their does and bucks as market animals? Are they going to sell their does as replacement does? What weight will the kids be at selling time? Do the producers want to try and sell show goats? Are the goats to be sold as registered full blood or percentage goats? Is the producer going to sell wethers or bucks?

Producers also need to consider the type of goat wanted in their area or by the local market. Sometimes local demand for certain types of goats could make selling the wrong type of goats difficult and unprofitable. Producers need to do research when determining what product is wanted in their area.

By determining the type of goat a producer wants to sell, it will help determine that producer's marketing plan. It is permissible to market a combination of different types of goats, but each type of goat to be produced needs its own marketing plan.

Where To Sell?

The answer to this question will depend on the type of goat being sold. If producers plan to sell weaned kids for market animals, then a weaned kid market location needs to be found. Some weekly livestock auction barns sell goats during the regular weekly auction and some have special weekly or bi-monthly auctions for goats (Figure 9-1).

Locations of local auction barns that sell market goats need to be determined before any goats are ready to sell. If the local auction barn does not have a regular goat sale, where is the closest auction barn that does? If the local auction barn has a goat sale, is it a good sale? What type of goats does that auction typically sell? What is the price range and average price for goats going through the auction? What are the costs for selling at that sale (ie., commission, in-



Figure 9-1. Goats at an auction.

insurance and yardage). How does it compare to other nearby sales? Does the producer have the type of goats that normally sell at that site?

Answering these questions will require visiting the local sale barns and questioning other goat producers. Producers need to visit with the sale barn owner/operator to see what types of goats are typically sold in their sales. They should count the number of buyers at the sale and watch what each one is typically buying. Usually buyers will stick to one or two types of goats. The more successful sales will have several buyers and large numbers of goats available to sell. Beginning producers also may want to visit with other local goat producers. They should ask them what type of goats they sell and where they sell them. Each producer may have a different opinion about where to sell and why. Listening to these varying opinions may help a new producer to decide where to sell.

After visiting the sale barn and taking note of the types of goats sold and the prices received, producers can compare those prices to other sale barns in the area or state. They should visit other sale barns or look for the state's official United States Department of Agriculture (USDA) reported prices. These reported prices can be located at www.ams.usda.gov. Once on the Website, follow these instructions:

1. Locate the Goat tab at the top of the page.
2. Move the mouse over the tab and a drop down menu will appear.
3. Click on auctions on the drop-down menu.
4. The next screen will display a map with the states reporting goat prices. Click on the state of interest.

If more than one auction is reported, the producer must choose the auction of interest. Click on the sale location. It should then display the most current market report for that auction. Producers can then use the market report listed and compare the prices with those they received at their local auction.

When determining where to sell goats, producers must consider other factors besides price:

- distance to the auction
- regularity of the auction
- commission charged by the sale barn
- consistency of the auction

Producers sometimes can afford to take a lower price at one auction if the travel distance to another



Figure 9-2. A truck full of goats heading to an auction.

sale is too far or the other auction barn commissions are higher.

Selling at the local auction has its advantages and disadvantages. One advantage is the ease of process. Generally, all producers have to do is get their product to the barn by sale day. If the auction has multiple sale dates and the first one is inconvenient, then the next one will come up soon. Also, producers do not have to be concerned about payment for their product.

A disadvantage may be the recognition of a superior product. Most sale barns do not single out producers who do a better than average job. These animals, although deserving of a higher price, may not receive it. Also, producers are at the mercy of the market conditions for that day. If, for some reason the market is off that day, producers may be forced to take the price offered or buy the animals back and pay commission.

Another option for marketing goats is a production sale. A production sale is usually a sale operated by a formal group such as a county association, a group of producers or an individual breeder. Typically these types of sales are for registered breeding animals or commercial breed stock such as does and bucks or show animals. Some sales allow grade (non-registered) breeding animals. These sales generally have a higher selling cost than normal auctions. Before choosing this option, producers should carefully examine the type of goats being sold and determine the possible net price they may receive.

Typically, the best place to sell goats is directly off of the farm. This method eliminates the stress and cost of hauling goats to market and the cost of commissions. Producers wanting to sell goats directly

off of the farm will need to know the approximate weight and value of the goats before selling them.

One advantage to selling off of the farm is being able to promote the final product. Producers can attempt to ensure the buyer knows the type of product, which allows the producer to receive the price they feel they deserve.

A disadvantage to selling off of the farm is the possibility of not receiving funds. Producers must take the risk of receiving fraudulent checks for their product. Producers also must do some form of advertising to inform prospective buyers about the types of available animals.

When To Sell?

The best time to sell goats depends on the type of goat being sold and to whom the goat is being sold. As with other livestock enterprises, goat prices typically are seasonal. Kids, replacement does and bucks are in higher demand at certain times of the year. For example, two to three weeks before a holiday, when goat meat is typically served, goat kids for slaughter have a higher demand. This higher demand typically causes prices for the preferred size of goat to increase.

Figure 9-3 shows the seasonal price index for three different weight groups of kids at the Perkins Livestock Auction in Perkins, Okla. A sea-

sonal price index can show when prices are typically the highest and lowest during throughout the year. Take into account that goat prices have only been recorded since around 2004. Therefore, the amount of price information is not as abundant as other livestock enterprises, but this information shows the highs and lows of the markets.

For the Perkins market, the high prices for the 20 to 40 pounds kids occur in March, but for the heavier 40 to 60 pounds and the 60 to 80 pounds kids the peak prices occur in April. After this time period prices decline into the summer time until they reach their low point in August and September.

A number of factors could change these seasonal patterns, but generally these are beyond a producer's control. Producers need to have some flexibility in their marketing plans to be able to react to sudden price changes.

Like other livestock enterprises, goat meat demand is greater than normal at certain times of the year. Generally these times are associated with certain holidays where goat meat is preferred. Table 9-1 shows the list of holidays, affiliated ethnic or religious groups, dates and types of goats desired.

Some of the holiday's dates are based on the lunar calendar and therefore change from year to year. This change can be as much as three weeks in either direction. If part of the producers' marketing plan is to meet the demands of certain holidays, they must stay informed of the specific dates each year.

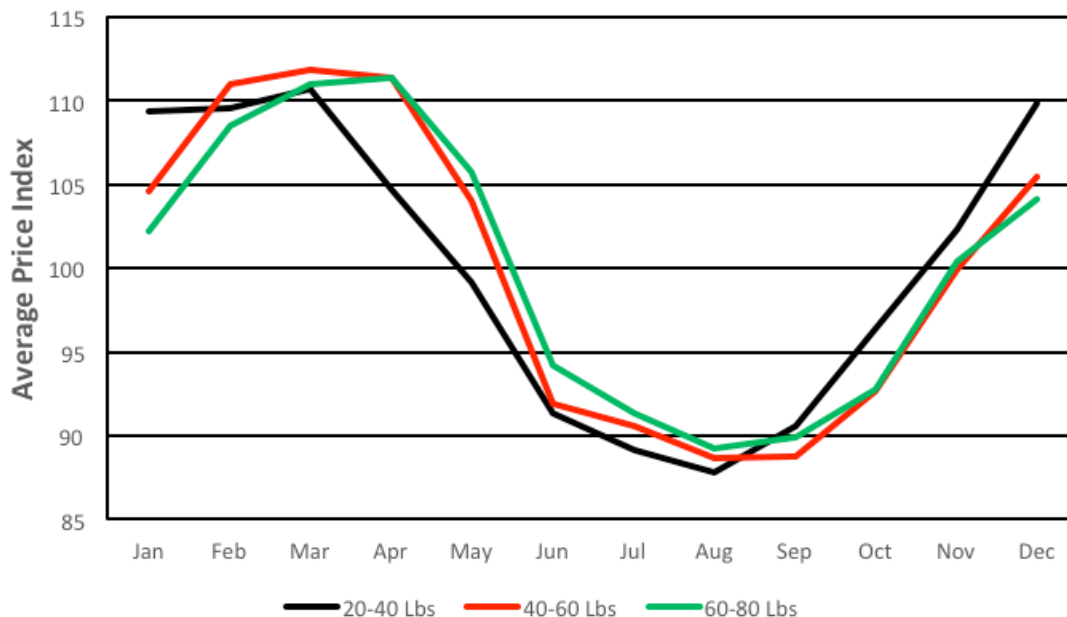


Figure 9-3. Season price pattern for three different weight groups of kids at the Perkins Livestock Auction in Perkins, Okla.

Table 9-1. Future dates of holidays where goat is typically served.

<i>Holiday</i>	<i>Date</i>	<i>Size of Kid</i>
Chinese New Year	January - February	60 to 80 pounds
Easter (Western)	Late March - April	20 to 50 pounds
Easter (Eastern and Greek)	April to Early May	20 to 50 pounds
Independence Day	July 4	20 to 35 pounds (older kids accepted)
Caribbean holidays	August	60 pound bucks
Start of Ramadan (Muslim)	Lunar Calendar	45 to 120 pounds
Eid al Fitr (Muslim)	Moves Every Year Lunar Calendar	less than 12 months 45 to 120 pounds
Eid al Adha (Muslim)	Moves Every Year Lunar Calendar	60 pounds optimum Yearlings, blemish free
Dassai (Hindu)	October	Male goats only, size depends upon number being fed
Cinco de Mayo (Mexican)	May 5	20 to 35 pound kids

For more information about exact holiday dates visit <http://www.sheepandgoat.com/articles/ethniccalendar.html>

Once the three questions of what, where and when are answered, producers can develop a marketing plan.

Conclusion

Production of goat kids is just one part of a goat enterprise. Marketing the end product is just as important as the production. Producers should develop a marketing plan for their goat enterprise. The marketing plan should take into effect the producer's planned production schedule along with the season-

al pattern of goat prices. The producers also should allow some flexibility in the marketing plan to take advantage of sudden unforeseen changes in prices.

References

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