



## Agricultural chemical dealers: shifting from selling products to services

### Background

The East Central Iowa Education Team worked with agricultural chemical and fertilizer dealers to help them shift from selling chemical products to selling services that will make their clients better informed and more effective farm managers. Objectives for the project were to:

- 1) Train fertilizer and agricultural chemical dealers in emerging practices that are consistent with sustainable agriculture principles.
- 2) Develop a technology transfer framework to encourage farmers to adopt practices that are economically and environmentally sound.
- 3) Utilize mass media to inform the general public about the efforts and accomplishments made by agricultural chemical dealers and farmers in sustainable agriculture.

### Results and discussion

Initially the team worked with 24 agricultural chemical and fertilizer dealers in 12 counties. The number was cut to nine dealers in 1994. Educational programs were conducted in 1992 and 1993 to assist dealers in offering crop consulting services as part of their businesses. The dealers were to use this information while working closely with several of their customers in selling these services.

In 1992, there were difficulties in achieving dealer cooperation to attend the educational programs and then work with their customers to offer services. A project coordinator, Eric Franzenburg, was hired in 1993 to coordinate dealer activities and maintain close contact with them. Franzenburg met with dealers in the project several times during 1993 and 1994, and also started a newsletter to keep the

dealers involved informed about crop and pest topics, and allow them to share information. Even with the close personal attention provided by Franzenburg in 1993, it was not easy to secure full dealer cooperation in the project.

Wade Wagner, television broadcaster and East Central Education Delivery Team member, produced an award-winning series on sustainable agriculture which was broadcast in the Cedar Rapids area in 1992. The series highlighted the work being done with agricultural chemical dealers in the area as well as other sustainable agriculture efforts. Local newspapers also carried stories on the dealer program.

In 1994, Integrated Crop Management (ICM) stations were organized at strategic locations to inform farmers about crop, pest, and weather concerns in the area. (An ICM station consisted of bulletins and fact sheets on current crop, pest, and weather concerns.) It was hoped that this would encourage local farmers to seek out crop consulting and management help from their local agricultural chemical dealers. Some of the stations were heavily used and other were little used, depending on the location of the station. The ICM stations also received local media coverage.



### Team Leaders:

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Media Representa-  
tive

Budget:  
1992-1995, \$15,000

In 1995, Franzenburg sent weekly mailings to dealers with suggestions on what to post at the ICM stations. Each of the dealers received six copies of the ISU Extension ICM newsletter, which were made available for their customers at the ICM stations. Some of the dealers continued to keep the stations up-to-date in 1995 while others rarely posted the available information.

The Educational Delivery Team used project funds to co-sponsor the 1994 to 1996 Eastern Iowa ICM conferences at Kirkwood Community College in Cedar Rapids. Nearly 300 farmers, educators, and dealers (including some participating in the project) attended these conferences. A poster was displayed at the March 1995 Leopold Center conference in

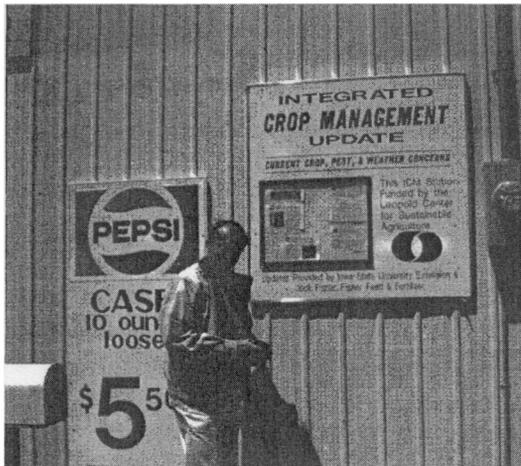
dealer commented the ICM station would get more attention if it were located inside the store so customers could read the articles while they waited. Most dealers indicated in a 1994 evaluation that the information at the stations was valuable to area farmers. At the end of the 1995 season, all of the dealers wanted to keep the ICM stations for future use.

The 1994 end-of-the-project evaluation also showed that all the dealers thought that there was a need to charge for the services that they provide. Services that most now offer for free are soil sampling, soil testing, and scouting. The primary reason dealers failed to charge for these services was that they feared competing businesses would win over their customers who did want to pay for the services. Also, they believed that farmers were not willing to add to their current cropping expenses by purchasing the services. A third problem was that offering such services required dealerships to hire another employee during the busiest time of year.

Attempts to convince dealers to attend educational programs during the busy seasons were not successful. The more individual attention given to the dealers in the project, the more likely they were to participate and having Eric Franzenburg as a liaison helped maintain communication on the project. Personal visits were also important in helping ensure that dealers kept the ICM stations posted with up-to-date information.

Any future project planners need to keep in mind that much personal attention must be given to each dealership, along with help on how to add services to the business. Crop producers also need additional education (such as from the ICM newsletter and ICM stations) to appreciate the benefits of these dealer-provided consulting services.

**Leopold Center director Dennis Keeney checks out an ICM station.**



Ames showing the progress of the project in helping dealers make the switch from selling products to selling services.

## Conclusions

Some of the ICM stations were used frequently by farmers and others were used very little. In general, those located at agricultural dealerships received the most usage. One

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