

Harvesting Loyalty

Turn a last-minute seed order into a long-term relationship

A recent article published by an ag technology firm stated that a first-time buyer has a 27% chance of returning for a second purchase. And second-time buyers return to purchase again 54% of the time.¹ While your exact percentages will likely be different, the moral of this story is the same for all selling organizations. First-time buyers present a great opportunity, right? But inherent in the data is some looming bad news. Many first-time buyers – *most*, in fact – won't return. And that adds up to an opportunity lost.

So, what can you do to tip the odds of keeping that new customer in your favor? This spring, for instance, can you turn that last-minute, first-time buyer into a long-term, loyal customer? Yes, and how to do it probably won't be a surprise. The hard truth is this: Gaining loyalty from a new customer, even a last-minute one, basically comes down to getting the *basics* right.

Building loyalty: The "Big 3" according to Purdue

A 2023 Purdue University study looked at seed purchasing behaviors of 1,540 large farmers.² They asked them to rank the factors that influence why they buy seed (see graph below). As you can surely predict, it came down to three factors that respondents ranked in this order:

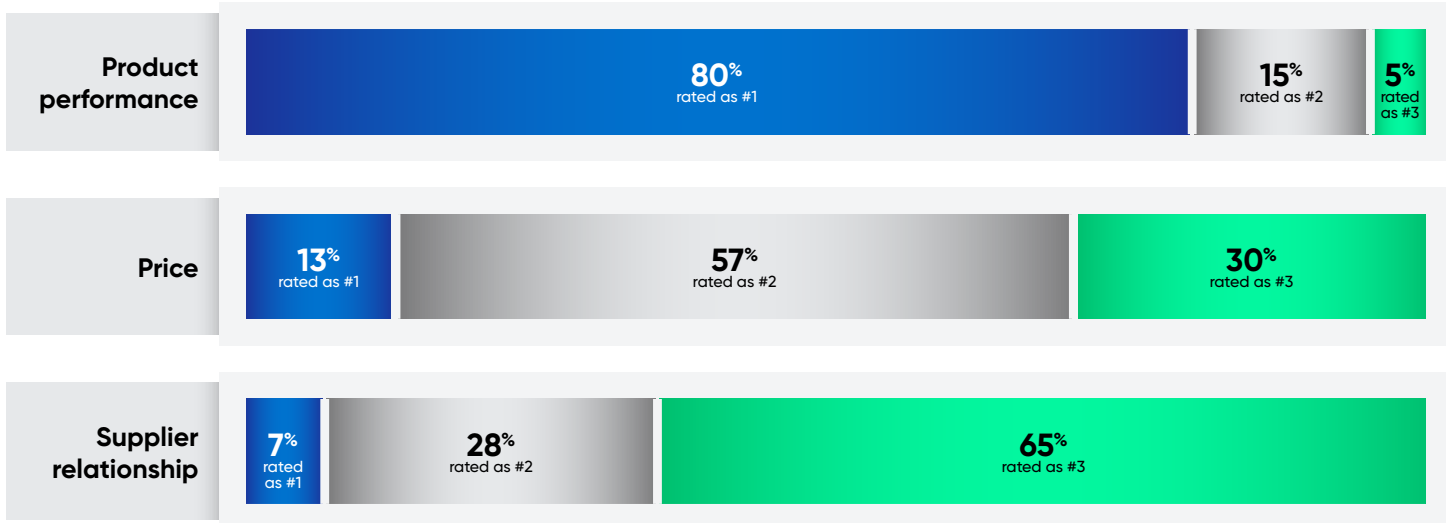
1. Product performance
2. Price
3. Supplier relationship

Surprising? Maybe not. But there's good news in this for seed companies. You have a lot of control when it comes to getting and keeping customers.

You have choices for your product portfolio. And price, although important, isn't the #1 issue for 87% of farmers. Finally, 35% of the farmers rank the supplier relationship as #1 or #2 in importance.

Since this article deals with sales, what can you and your people do to score high on your relationship and turn a new last-minute buyer into a loyal, repeat customer?

SEED PURCHASE BUYING INFLUENCES, 2023²



According to Purdue, in seed purchase decisions, product performance takes precedence, followed by price and supplier relationship.

Get involved and gain farmers' trust

Nothing new with that advice, right? The question is how? We've had a lot of conversations with farmers over the years about gaining trust with new customers. Here are a few tried and true ideas we've heard repeatedly from farmers:

- **Offer to be another set of eyes.** Suggest scouting fields every third week or so.
- **Know your replant options!** Be a resource to your growers throughout the season in case they face the need to replant.
- **Become the expert on your yield data.** Encourage sellers to master the data on their products from multiple sources, not just company test plots. With performance reigning supreme in the purchase decision, it just makes sense.
- **Know the pros and cons of every product.** Selling seed involves helping farmers avoid bad decisions and poor performance. If a product doesn't fit a farmer's field, tell them and explain why. You'll likely earn the chance to talk about a product that does fit and build some credibility along the way.
- **Ask questions, be curious; interview the farmer.** Listen more than you talk. Get to know the farmer's family and how they fit into the equation of running the operation.

All of this may sound like old news. And perhaps it is. Some seed sellers simply aren't getting the basics right. Is this an opportunity for you?

Providing a good customer experience

While buying may focus on product performance up front, the heart of a brand still comes from the overall customer experience before, during and after the sale. As a recent *Seed World* article notes, your customers will judge their experience with you and your brand based on answers to the following questions:³

Do I feel I was treated fairly? Treating customers fairly is not only a moral obligation but a strategic and competitive necessity. It builds trust, enhances your reputation, reduces complaints, encourages customer feedback and drives business growth.

Were they available when I needed help? Being available – ready to listen and help – makes up a critical part of meeting customer expectations. Doing so will enhance customer satisfaction, increase customer trust and loyalty, prevent escalation of issues, improve your brand's reputation and help you gain valuable insights into customer needs and preferences.

Is my experience with them consistent from day to day?
Season to season? Consistency plays a crucial role in customer service. It helps to convey reliability, an important aspect of customer satisfaction. It also strengthens brand identity while encouraging customer loyalty. In the end, such loyalty reduces customer churn. This allows you and your people to invest time in adding customers instead of trying to replace the ones you've lost since last season.

The bottom line

Last-minute sales can lead to long-term loyalty. Truth is, a first-time purchase simply provides an opportunity. Lots of factors go into building loyalty. But it's not rocket science. Turning that last-minute buyer into a loyal customer results from getting the basics right: the product, the price and the service. As farmers head to the field this spring, be on the lookout for in-season business. Remember, when properly managed, a last-minute seed order can provide a springboard to establish a long-term, loyal and satisfied customer.

¹ "Seed Dealers: Here's How to Engage Farmers after the Sale," GROWERS, January 28, 2005, <https://growers.ag/blog/how-seed-dealers-can-engage-with-farmers-after-the-sale/>.

² Dr. Luciano Thomé E Castro, "Farmers' Purchasing Behavior and Implications for Suppliers' Go-to-Market Strategies," Purdue Center for Food and Agricultural Business, January 11, 2023, <https://agribusiness.purdue.edu/2023/01/11/farmers-purchasing-behavior-and-implications-for-suppliers/>.

³ Eloy Corona, "Independent Seed Companies' Top Strengths Are People and Customer Service," *Seed World*, January 3, 2024, <https://www.seedworld.com/us/2024/01/03/independent-seed-companies-top-strengths-are-people-and-customer-service/>.