

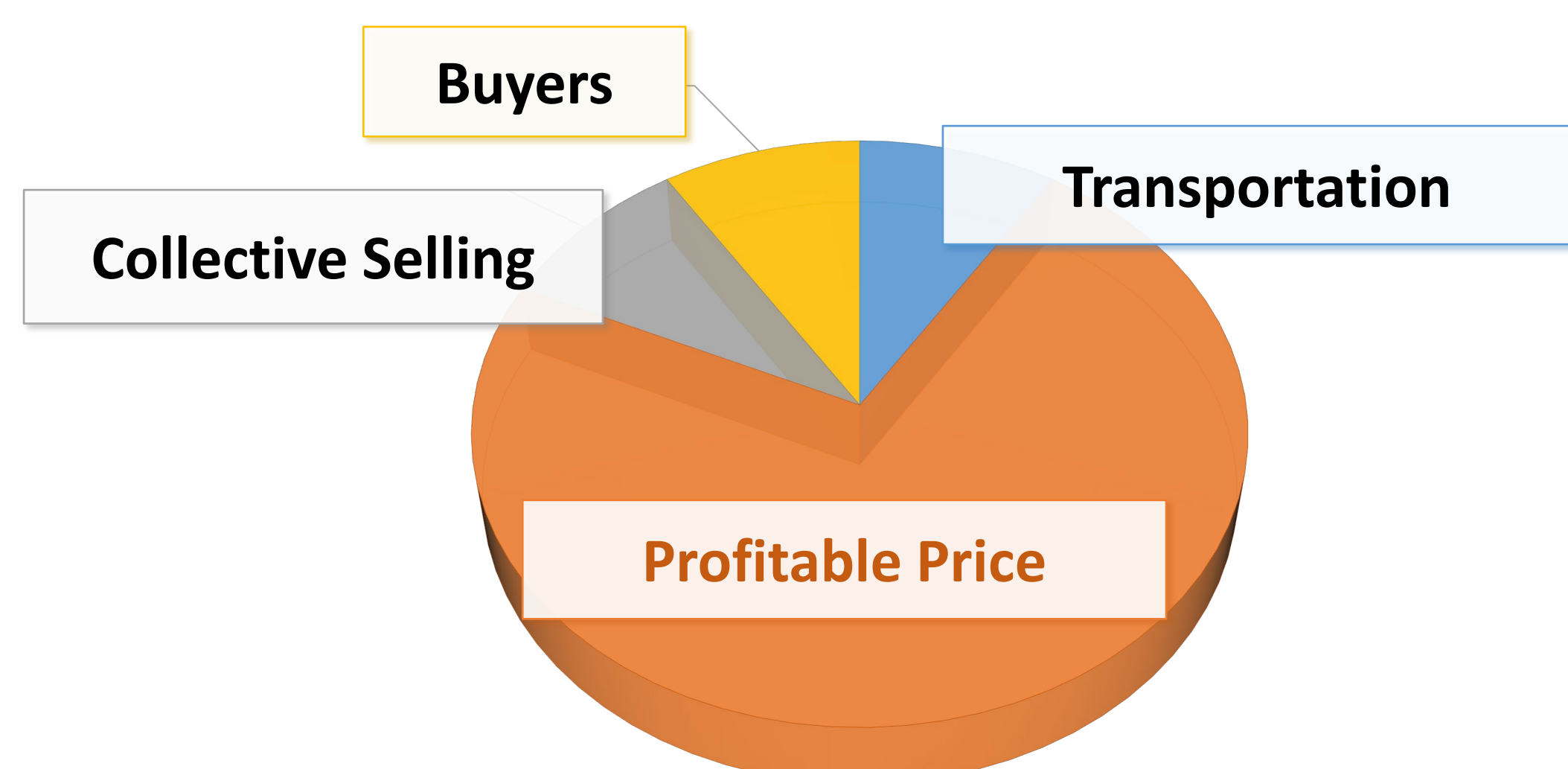
What Price is Right?

A RightRisk™ Educational Program

Problems

1. Farmers are good at production but struggle with marketing.
2. Determining a profitable selling price.

GREATEST MARKET RISKS



Key Approaches To Set Prices for Direct-To-Consumer Sales

- ❖ **Cost-based Pricing** = total production costs + profit margin.
- ❖ **Market-based Pricing** = survey competitors and set prices within range.
- ❖ **Value-based Pricing** = emphasize product quality, uniqueness, etc. to justify premium prices.
- ❖ **Dynamic Pricing** = adjust prices based on seasonality, demand, and inventories.



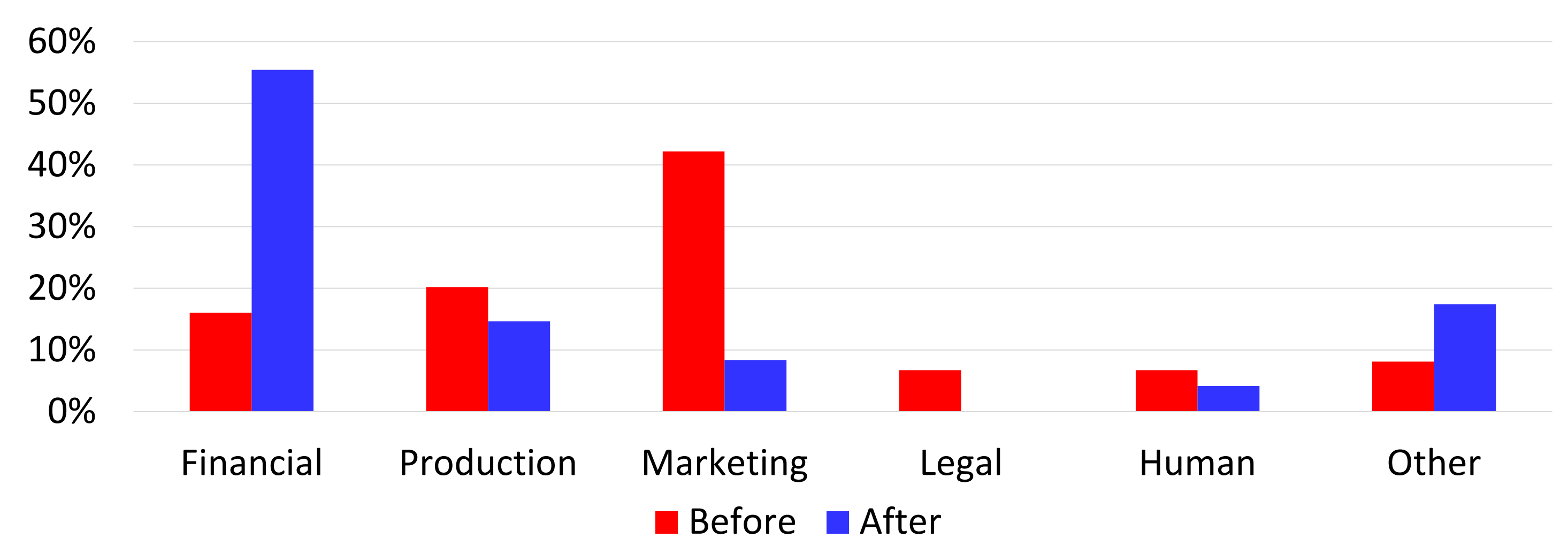
Education

~ To Build Farmer Confidence & Improve Business Acumen ~

1. Workshops
2. Online Tools
3. Peer Learning Groups
4. Consumer Engagement



Changes in Perception of Greatest Risk (following educational events)



100% of participants increased understanding of risk management topics.

61% of participants are likely/very likely to use partial budgeting tools to make decisions.

59% of participants reported peer learning groups have significant value.

- ✓ Participants in pricing workshops intend to increase their average product margins.
- ✓ Farmers using pricing calculators are more likely to adjust prices seasonally leading to revenue consistency.
- ✓ Peer learning groups foster innovation.
- ✓ Consumers responded positively to clear communication about pricing rationale, particularly when linked to sustainability and local economic support.

Jeffrey E. Tranel, Colorado State University - John P. Hewlett, University of Wyoming

