

# 2016 Agricultural Communications CDE James Madison FFA Texas FFA Association

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#### **EXECUTIVE SUMMARY**

In 2010, the Texas Legislature passed a series of sweeping tax valuation reforms to protect and increase agricultural land use throughout the state. One of these changes included the creation of new agricultural land valuation rules for honey bees. These rules allow beekeepers to receive agricultural property valuations similar to farmers and ranchers, but for smaller property sizes. The Texas Legislature changed the tax code allowing beekeepers on 5-20 acres to qualify for agricultural land valuation, reducing potential yearly property taxes by 80 percent (Texas Tax Office).

Bee Smart Services provides hives to be leased by property owners in order to receive the tax cut. This media plan will (1) promote the opportunity to receive agriculture land-tax reductions without having to raise livestock, (2) provide information to realtors and builders regarding the leasing opportunities for their potential buyers, and (3) increase clientele and number of properties receiving land-tax reductions.

This media plan targets four audience groups – land owners, realtors, builders and aging ranchers – and three objectives will guide the focus of this plan. The three objectives include: to increase awareness of land-tax reductions through bee leasing to ranchette owners, realtors and builders; to increase the number of hive leases by 25 percent within the first year of plan implementation; and to gain at least 20 working relationships with local realtors and builders.

Bee Smart Services allotted \$10,000 for the James Madison FFA Communications Committee to use in the production of this plan. The committee chose seven tactics to promote the services for a total cost of \$9,585, which allows for surplus funds to be used in other areas. Tactics include a brochure, social media, print advertisement, radio broadcast, website, promotional videos and business cards.

Following this plan will ensure Bee Smart Services is able to grow their clientele base and more land owners will take advantage of the land-tax exemptions.

#### INTRODUCTION AND OVERVIEW

Bee Smart Services, which operates in one of the United States' fastest growing areas along the Interstate 35 corridor, has been in business for 7 years in Garden Ridge, Texas (Garner). Bee Smart Services and its parent company Anderson's Apiaries, owned and operated by Josh and Lisa Anderson, serves as a sideliner beekeeping enterprise providing honey, hive products, honey bees, and bee keeping education to residents and businesses within the Texas Hill Country. Operating as a small 350-hive apiary, the Andersons make a good living. However, in an attempt to increase profits, Bee Smart Services has decided to capitalize on recently modified state tax legislation by offering honey bee colony leases for agricultural land valuation. The Andersons have enlisted the help of the James Madison FFA Communications Committee to develop and implement a series of marketing strategies to launch the rollout of Bee Smart Services new honeybee leases. In return, the Andersons have agreed to donate fresh honey to The General Store at the North East Independent School District Agriscience Magnet Program for students to sell throughout the year.

In 2010, the Texas Legislature passed a series of sweeping tax valuation reforms to protect and increase agricultural land use throughout the state. One of these changes included the creation of new agricultural land valuation rules for honey bees. These rules allow beekeepers to receive agricultural property valuations similar to farmers and ranchers, but for smaller property sizes. Each county was allowed to establish new valuation standards, commonly referred to as "exemptions," and many surrounding counties have established similar standards. Typically, these standards allow for individuals who own between 5-20 acres of land to keep honey bees, to receive agricultural valuation on their properties provided they keep at least three hives. Generally, landowners are required to showcase five years of agricultural history before agricultural land valuation is provided, but since many of the properties in the Texas Hill Country are subdivided ranches, valuations can be achieved much sooner because of previous agricultural history. Bee Smart Services provides the service of a bee colony lease and gives peace of mind to the landowner, knowing they receive a substantial tax benefit while not having to directly maintain a honey bee colony.

The Texas Legislature changed the tax code allowing beekeepers on 5-20 acres to qualify for agricultural land valuation, reducing potential yearly property taxes by 80 percent. As local property taxes increase, many landowners are considering agricultural land valuation through beekeeping. Beekeeping leases for pollination have been common in Texas for more than 70 years, but leasing bees for agricultural land exemptions is a new industry in Texas and the United States. During our research, we were only able to identify three beekeepers in the United States who were leasing bee colonies for agricultural land exemptions in California, Virginia and Florida.

The communications committee conducted a series of public record requests to analyze the potential market opportunities for Bee Smart Services and to better understand the value of an agricultural land valuation if honeybees are used. Data was collected from the Central Appraisal District from the 25 respective Texas Hill Country counties and analyzed for exemptible properties and the value of an exemption for those properties.

#### TARGET AUDIENCES

The four target audiences for the Bee Smart Services media plan are (1) Ranchette Owners, (2) San Antonio Realtors, (3) San Antonio Builders, and (4) Aging Ranchers.

**TARGET AUDIENCE #1:** Ranchette Owners

**Description:** According to the Texas County Appraisal District website, there are approximately 50,540 properties in the Texas Hill Country that qualify for land-tax exemptions, 5-20 acres in size (Texas CAD). These landowners are typically middle to upper-middle class families looking to save money on their property taxes. The age range of ranchette owners in the Texas Hill Country is 30 to 65 years old. We will target the owners of these properties, thus providing opportunities for them to gain agriculture land exemption. Many of these land owners' children go to school within NEISD and James Madison High School.

#### **TARGET AUDIENCE #2:** San Antonio Realtors

**Description:** The San Antonio Board of Realtors represents more than 9,500 realtors within San Antonio and surrounding areas (About SABOR). The median age of realtors is 53. Many of these realtors are responsible for promoting and selling ranchettes within the San Antonio area and may be unaware of the possibility for buyers to receive a tax cut with the use of bees on their land. By targeting the San Antonio Board of Realtors, education about the incentive of placing bees on one's property can occur.

If potential buyers knew there was a possibility they could have a tax reduction for their land without having to raise livestock, they may be more inclined to buy. Educating realtors on this important selling point could help to make the sale and benefit the customer in the end.

#### **TARGET AUDIENCE #3:** San Antonio Builders

**Description:** The Greater San Antonio Builders Association represents more than 9,000 builders, developers, remodelers and industry members to promote home ownership (About GSABA). The median age of builders in the area is 44 years old. Builders are often responsible for several homes within a division and have a sales department within their company who may be unaware of the benefits of having bees on their

ranchette. By targeting the Greater San Antonio Builders Association, education about the incentive of placing bees on one's property can occur.

Building companies that contain a sales department can utilize information about bee leasing to provide incentives to those looking to buy homes built by the company on ranchettes. Educating builders of the land tax cuts associated with bee leasing can benefit the building company in the area of making the sale and will benefit the buyer in the end.

#### **TARGET AUDIENCE #4:** Aging Ranchers

**Description**: The Texas Hill Country boasts a large number of ranchers raising livestock who are reaching the age of retirement. As they near retirement, many of them are looking to sell their livestock due to their inability to care for them as they did at a younger age. Ranchers in this group range from 55 to 75 years old. Selling their livestock can result in loss of agriculture land classification and thus they will lose their agriculture land valuation.

This audience could benefit greatly from the services offered by Bee Smart Services. In order to maintain their land valuation, ranchers can lease bee hives. The benefit of the bee hives compared to livestock is that they require a fraction of the cost and maintenance of livestock operations.

#### STRATEGIC PLAN

As Bee Smart Services looks to grow, the following objectives will focus the communication committee's efforts:

- **A.** To increase awareness of land-tax reductions through bee leasing, especially as it relates to ranchette owners, realtors and builders;
- **B.** To increase the number of hive leases by 25 percent within the first year of plan implementation;
- C. To gain at least 20 working relationships with local realtors and builders.

#### **Key Messages:**

The promotional efforts for Bee Smart Services will reinforce the following messages:

Key Message 1: You do not have to raise livestock on your land to save in land valuation taxes each year.

"Agriculture is much more than cows, plows and sows." In order to save in land valuation taxes, a landowner must have some sort of agricultural production on their property. "Agricultural production" is not restricted to livestock animals, which many ranchette owners may be apprehensive about. In 2010, the Texas Legislature changed the tax code allowing beekeepers on 5-20 acres to qualify for agricultural land valuation.

#### **Key Message 2: The opportunity to save on land taxes is a great selling point.**

"The new 'buzz' in land tax exemptions." A deciding factor for many potential ranchette buyers is the amount of land taxes they will have to pay to live in the area they wish to reside. According to the Texas Association of Realtors, the popularity of the "ranchette" (5-20 acres) has increased by 1.25 percent each year since 1996 and the popularity of city

folks owning a piece of small property (ranchette) will not slow down until we run out of land (Amijo).

#### Key Message 3: Save an average of 80 percent on land taxes through leasing bees.

"Bee Smart, Save Money!" With the changes made to tax codes, it is possible for land owners to receive tax cuts around 80 percent yearly. Five to 20 acres is all that is needed in order to receive agricultural land valuation with bees. This opportunity opens the doors for many small land owners looking to take part in agricultural land valuation.

#### **Media Tactics**

We have created seven different media tactics to ensure the proper promotion and success of Bee Smart Services bee leasing. The tactics are described below:

#### 1. Marketing Brochure

Marketing brochures are among the most versatile tools to inform customers of products and services. A brochure was designed to be distributed to the San Antonio Board of Realtors and the Greater San Antonio Builders Association. Combined, these brochures should be distributed to upwards of 10,000 realtors and builders. The brochures are of tri-fold style and contain contact information, land-tax exemption details and the process of getting started with Bee Smart Services. It is recommended that brochures be distributed to these organizations periodically throughout the administration of this plan (see Appendix A).

#### 2. Social Media

According to Laura Lake of thebalance.com, social media gives organizations a voice and a way to communicate with customers and potential customers. It helps to personalize the brand (Lake). The latest age appropriate social media outlets will be utilized to gain attention of ranchette owners, realtors and builders. The median age of these groups is 48 years old. While researching the best social media outlets for this specific group of target audiences, it was very clear which ones we should engage. Facebook and Twitter

accounts will be set up and used to promote the leasing services provided by Bee Smart Services with weekly posts throughout the duration of the plan. These outlets were chosen because their median age of users is between 35 and 54 years old, and the target audience chosen are more familiar with these sites. In order to reach a higher number of people, the committee suggests paying for Facebook ads for their page, this is based on the number of people you want to reach. For year one, the committee suggests spending \$5 per day to receive an estimated eight to 30 likes each day (Facebook Business). We hope to encourage SABOR and GSBA to promote the services through their social media accounts to increase visibility of the brand. We recommend the following hashtags to be used when creating a post about Bee Smart Services.

#beesmartsavemoney

#buzzyourtaxes

#BeeSmartServices

#### 3. Print Advertisement

A half-page print advertisement has been created and is to be submitted for print in various publications. The first publication the committee suggests for running one of the advertisements in is *Texas Agriculture* published by the Texas Farm Bureau. This publication is printed 20 times throughout the year and has a reach of at least 500,000 subscribers. The committee also suggests running the advertisement in *Texas Lifestyle Magazine*. This publication has over 600 drop locations in the Austin, San Antonio and Houston areas. According to the magazine, its target demographics include males and females between the ages of 25 and 54, which fits within the range of ages the media plan looks to reach (About – TLM). The final publication the committee suggest is the *Texas Co-Op Power*, which is delivered monthly to the 2 million members of the *Texas* Electric Cooperative (see Appendix B).

#### 4. Radio Broadcast

Radio broadcasts are still a viable tool used to promote a product or service. With the budget in mind, we have created a 30-second recorded radio spot to be run on AM radio, which charges a much lower, flexible rate than FM. The suggested airway for the target audience members in the Texas Hill Country area is AM1460 KCWM. Radio stations charge based on listener volume at various times. According to KSWM,

the ideal advertising spot is between the times of 2 p.m. and 6 p.m. seven days a week. To begin, the committee suggest running the broadcast once a week for the first five months. Once revenue increases and allows for more marketing options, the committee suggests paying to have the radio spot broadcast over FM radio waves in order to hopefully reach a larger number of potential customers (see Appendix C).

#### 5. Website

A website designated to Bee Smart Services has been created by the committee, will be linked to their Facebook and Twitter pages, and will be placed on all printed promotional pieces. The site provides specific information about the services offered and how to become involved. The use of a website, Google Analytics, and Search Engine Optimization will allow the Andersons and the committee to track the effectiveness of the website based on traffic, and allow them to use keywords to direct visitors to the site (see Appendix D).

#### 6. Promotional Video

Three 30-second promotional videos were developed for delivery through the social media accounts. The videos will include several topics regarding the leasing of bees. Video No. 1 promotes the bee leasing opportunities and what it means to the client. Additionally, video No. 2 details the process of leasing a hive for your property. Video No. 3 includes a combination of testimonials of those who have taken advantage of land-tax cuts via bee leasing through Bee Smart Services.

#### 7. Business Cards

Business cards are one of the best advertising tools for a business. They are easy to distribute and can be mass created for very little capital. The committee has created a business card to be distributed to the SABOR and GSBA to be given to their members. The committee also suggests distributing business cards to the 25 AgriLife Extension Agency offices within the counties of the Texas Hill Country. The Andersons are also encouraged to keep a steady supply of business cards with them at all times for daily interaction with potential clients (see Appendix E).

#### **TIMELINE**

#### November 2016

- Approve created branded materials
- Publish website and social media accounts and establish links
- Approve promotional videos

#### December 2016

- Send business cards and brochures to print and pick up by Dec. 15
- Send Radio broadcast to AM1460 station, run weekly
- Distribute brochures and business cards
- Publish weekly social media posts, include video No. 1
- Send print advertisements to three designated publications

#### January – April 2017

- Publish weekly social media posts, include video No. 2
- Broadcast weekly radio broadcast

#### May 2017

- Gather update on brochure and business card supplies
- Reprint and distribute brochure and business cards if necessary
- Publish weekly social media posts, include video No. 3

#### **June – July 2017**

• Publish weekly social media posts, include video No. 1, 2 and 3

#### **August – October 2017**

- Send radio broadcast to AM1460 station, run weekly
- Send print advertisements to three designated publications
- Evaluate tactics for year two

#### **EVALUATION**

Bee Smart Services strives to provide small landowners the opportunity to receive a considerable reduction in their yearly land taxes by simply leasing a hive of bees. After the first year of implementation of this media plan, a thorough analysis will be conducted to see that the objectives were reached.

**Objective A:** To increase the audiences' awareness of land-tax reductions through bee leasing. Increased participation in bee leasing provides a broad indication of increased awareness. Website visits and social media views could also serve as an indication of increased awareness of leasing opportunities.

**Objective B:** To increase the number of apiary leases by 25 percent within the first year of plan implementation. This objective will be measured by calculating the number of new leases collected within the year. In order to validate a 25 percent increase, the number of leases would have to increase from 135 hives in the 2015-2016 fiscal year to at least 168 hive leases in the 2016-2017 fiscal year.

**Objective C:** To gain at least 20 working relationships with local realtors and builders. This objective will be measured by counting the total number of working relationships amongst realtors and builders throughout the year. The goal is to gain relationships with 20 realtors and 20 builders. A "working relationship" refers to a relationship where realtors and builders agree to promote the services and direct clients to the Andersons once the sale has been made. This will be accomplished through an open line of communication for questions and concerns from builders and realtors.

In addition to these measurements, the communications committee would also like to survey new clients about where they heard about Bee Smart Services. This information will help the committee and Bee Smart Services evaluate the media tactics and make changes or improvements if needed. In future years, each objective can be increased in order to challenge growth and make company decisions related to a growing clientele.

# BUDGET

Table 1 Proposed Media Plan Budget

Media Tactic	Target Audience(s)*	Cost/unit	Quantity	<b>Total Cost</b>
Marketing Brochure	1,2,3,4	\$0.45	10,000	\$4,500
Social Media (Facebook advertisement)	1,2,3	\$5	365	\$1,825
Print Advertisement	1,2,3	\$475	4	\$1,900
Radio Broadcast	1,4	\$20	20	\$400
Website (domain name)	1,4	\$10	1	\$10
Promotional Video	1,4	\$250	3	\$750
Business Card	1,2,3,4	\$0.02	10,000	\$200
TOTAL COST				\$9,585

<sup>\*</sup>Audiences: (1) Ranchette Owners, (2) San Antonio Realtors, (3) San Antonio Builders, (4) Aging Ranchers.

#### **CONCLUSION**

Bee Smart Services operates under the following mission statement: Bee Smart Services prides itself in providing good customer support while being good stewards of nature and striving for sustainable agriculture. Due to legislation allowing for land-tax exemptions based on agriculture production, the committee believes, by following this plan, Bee Smart Services will increase the audiences' awareness of what is considered "agriculture production" and the opportunities available to land owners and retiring ranchers through the leasing of bee hives.

Bee Smart Services looks to serve those in the Texas Hill Country and San Antonio areas. The audiences selected for this plan will receive three key messages including: The understanding that "agriculture production" is much more than cows plows and sows, the ability to receive a land-tax reduction in upwards of 80 percent can serve as a great selling point, and "Bee Smart, Save Money" with up to an 80 percent decrease in yearly land taxes.

During the next three years, Bee Smart Services will see many benefits as a result of this plan. Once results are achieved, the Andersons will be able to expand not only their apiary size, but also their marketing strategies. Marketing strategy goals for the future include moving from AM radio to FM radio advertisement spots, the creation of a commercial to be run on local television stations and running print advertisements in additional publications to reach a larger number of target audience members.

With anything, we cannot predict what the future will hold in regards to agriculture land-tax exemptions. If tax code should happen to change or if the leases do not fit the needs of the community, Bee Smart Services' contingency plan includes taking the hives used for small-land owner leases and leasing them to commercial agriculture for use in pollination of agricultural crops. That venture will take a separate set of goals and strategies; however, leasing hives commercially is a profitable business, which lies in a non-saturated market.

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#### APPENDIX A: MARKETING BROCHURE

#### **Outside Cover**

## Why Bee Smart

#### Services?

- We have strong beekeeping experience and knowledge
- Only provide you with strong, established colonies
- We own patented, Varroa resistant hives (mites)
- Bee Smart Services provides you with Commercial grade equipment
- Available beekeeping experience at anytime
- We have a great reputation within the beekeeping community
- Low startup cost
- You save money on your property tax while letting us do the work

#### **Mission Statement**

Bee Smart Services prides itself in providing good customer support while being good stewards of nature and striving for sustainable agriculture.





#### Inside



# APPENDIX B: PRINT ADVERTISEMENT



#### APPENDIX C: RADIO BROADCAST

[Bee Buzzing Sound – Fade In and Fade Out]

**REPORTER:** HAVE YOU HEARD THE BUZZ?

**REPORTER:** DO YOU WANT TO SAVE MONEY ON YOUR LAND TAXES?

**REPORTER:** DON'T HAVE TIME TO RAISE LIVESTOCK?

REPORTER: DO YOU FEEL LIKE THE STATE IS TAKING TOO MUCH OF YOUR MONEY FOR

TAXES?

**REPORTER:** WELL BEE SMART AND CALL BEE SMART SERVICES TODAY!

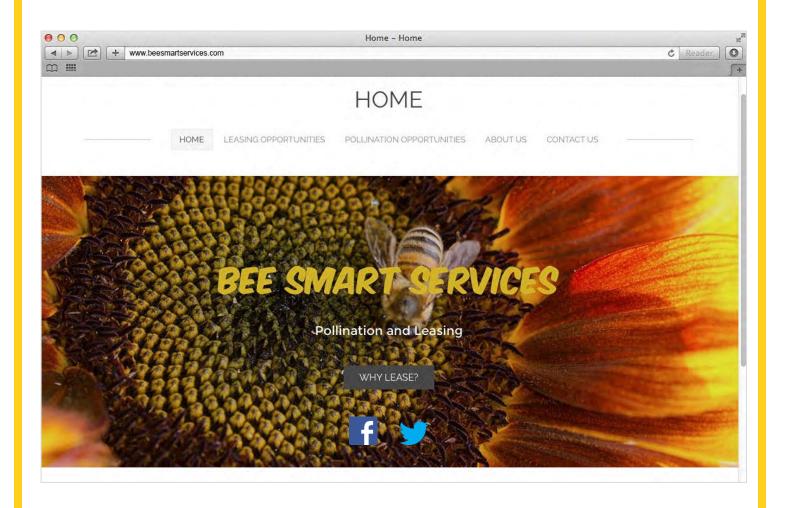
**REPORTER:** FOR A FRACTION OF THE COST OF RAISING LIVESTOCK ON YOUR LAND, LEASING A BEE HIVE FROM BEE SMART SERVICES ALLOWS YOU TO GAIN AGRICULTURAL LAND VALUATION.

**REPORTER:** THAT'S RIGHT! BY SIMPLY PLACING A BEE HIVE ON YOUR PROPERTY OF 5 TO 20 ACRES, YOU CAN SEE A DRAMATIC CUT IN YOUR LAND TAXES IN UPWARDS OF 80 PERCENT.

**REPORTER:** DON'T WAIT. CALL BEE SMART SERVICES TODAY TO SEE IF YOU QUALIFY. CONTACT JOSH AND LISA ANDERSON AT 210-656-1394 OR VISIT THEIR WEBSITE AT WWW.BEESMARTSERVICES.COM. ALSO, FIND THEM ON FACEBOOK AND TWITTER.

**REPORTER:** BEE SMART, SAVE MONEY! TODAY!

# APPENDIX D: WEBSITE



# APPENDIX E: BUSINESS CARD

#### **FRONT**

# BEE SMART SERV Bee Smart, Save Money

#### Josh and Lisa Anderson

1523 Oak Rush Drive Garden Ridge, Texas 78266

210-656-1394 janders@bss.com www.beesmartservices.com



#### **BACK**

