Market First:
Planning for Profitable Operations

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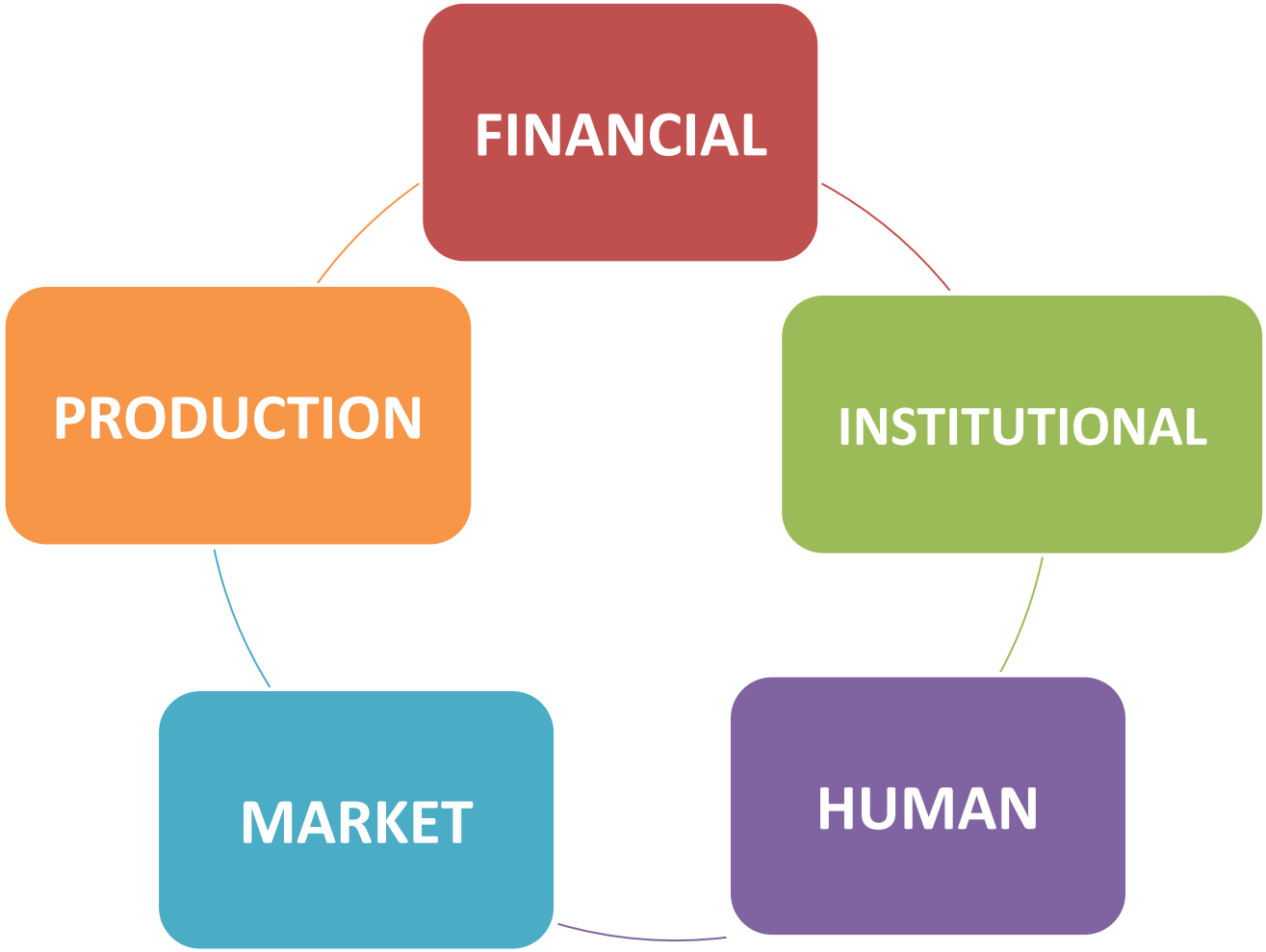
Freedmen Heirs Producers on the Rise Webinar Series

20 August 2026

Market First: Planning for Profitable Operations

Q: For producers joining us today who are aiming to build long-term generational wealth through their operation, why is getting a handle on unit economics and market demand the necessary baseline for that journey?

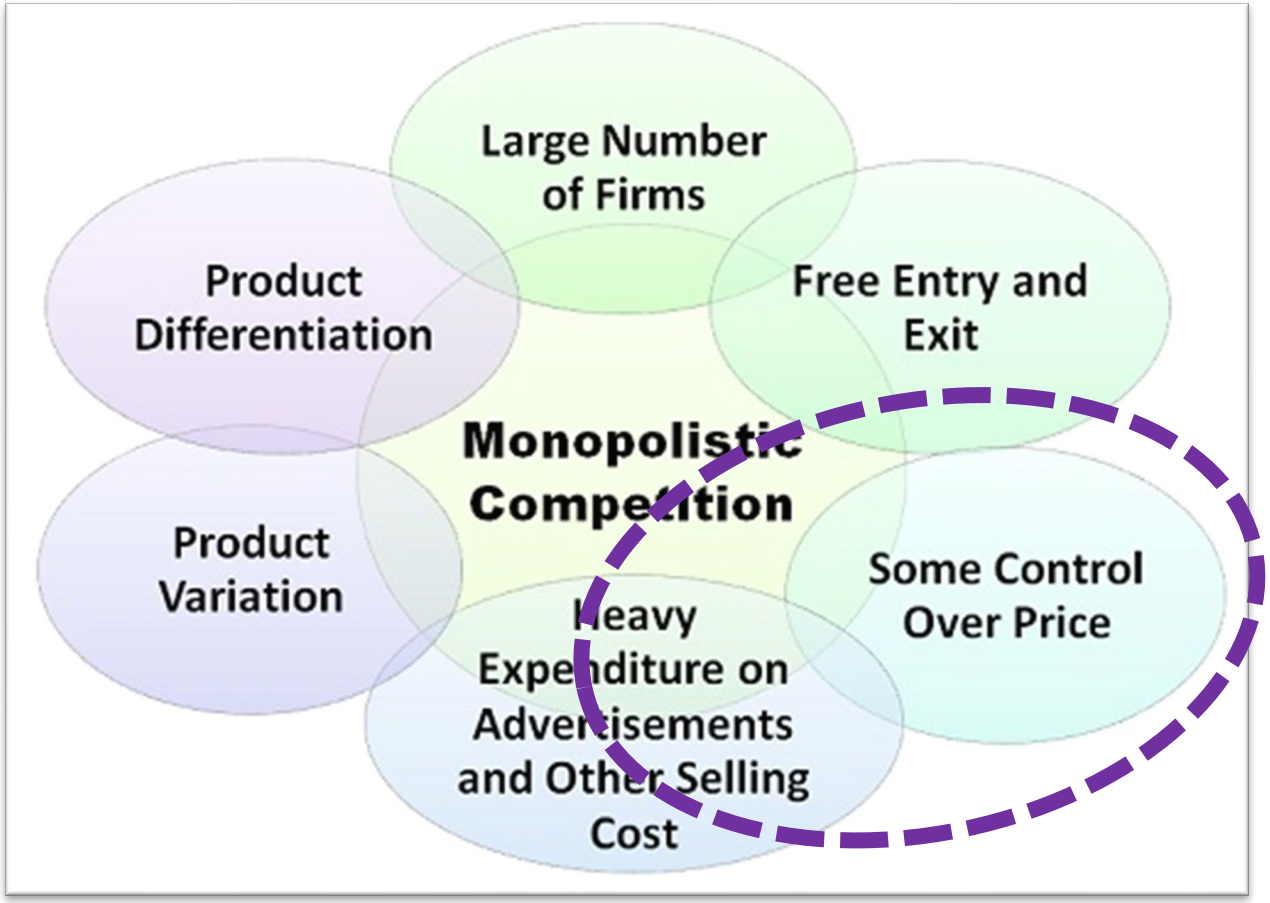
Agriculture – RISKY business?



Strategic Marketing



Strategic Marketing



Diffensibly Different?

Strategic Pricing Questions

- How do I know why people want to buy?
- How much will they pay?

TELL YOUR PRICE STORY!!

Perceptions DRIVE Buyer Behavior

- Buyer decisions provide valuable information
  - Expectations of future prices
  - Tastes and preferences
  - Substitutes and complements
- Use market data to predict future demand

From International Food Information Council (IFIC) Foundation's

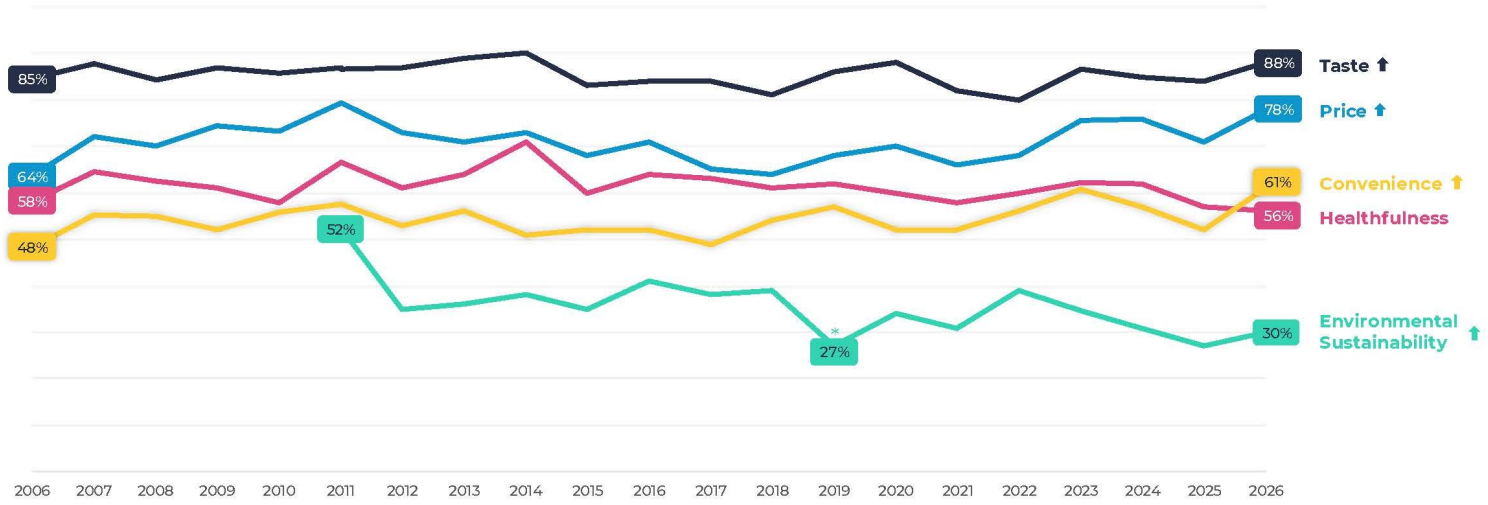
2026 Food and Health Survey

For the first time in the 21-year history of the *IFIC Food & Health Survey*, convenience surpasses healthfulness as a top purchase driver.

Taste (88%) and price (78%) continue to have the greatest impact on food and beverage purchase decisions in 2026, while convenience ranks ahead of healthfulness (61% vs. 56%) and environmental sustainability remains the least influential (30%).

Food & Beverage Purchase Drivers Over Time

Americans reporting an impact of 4 or 5 on a 5-pt scale



IFIC FOOD & HEALTH SURVEY

[TREND 2006-2026] How much of an impact do the following have on your decision to buy foods and beverages? (n=3005)
Note: Responses were rated on a 1-5 scale, where 1 = "No impact" and 5 = "A great impact"
Note: Arrows indicate statistical significance vs. 2025

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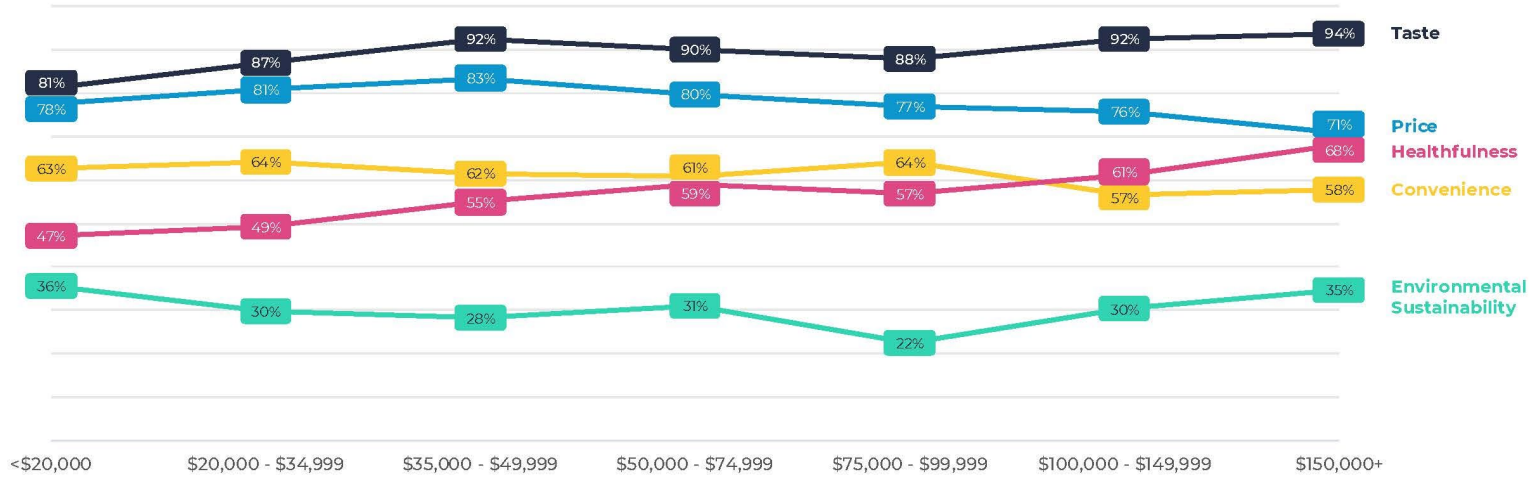
2026 Food and Health Survey

Higher-income Americans place greater emphasis on taste and healthfulness and less on price and convenience.

The influence of taste and healthfulness increases as household income rises, while price and convenience become less influential. Among households earning $100,000 or more, healthfulness surpasses convenience, unlike the overall population.

Food & Beverage Purchase Drivers By Annual Household Income

Americans reporting an impact of 4 or 5 on a 5-pt scale



IFIC FOOD & HEALTH SURVEY

[TREND 2006-2026] How much of an impact do the following have on your decision to buy foods and beverages? (n=3005)
Note: Responses were rated on a 1-5 scale, where 1 = "No impact" and 5 = "A great impact"

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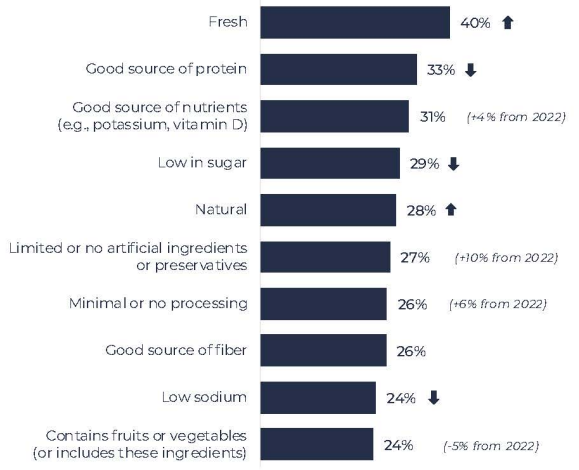
2026 Food and Health Survey

"Fresh" retakes the top spot in how Americans define a healthy food, while "Low in sugar" falls out of the top three for the first time.

Compared with 2025, more Americans use "Natural," "Fresh," and/or "Produced in a way that is environmentally sustainable" to define a healthy food. Fewer use "Good source of protein," "Low in sugar," "Low sodium," "Low carbohydrate," and/or "Low in saturated fat." Ingredient- and processing-related considerations have risen the most since 2022.

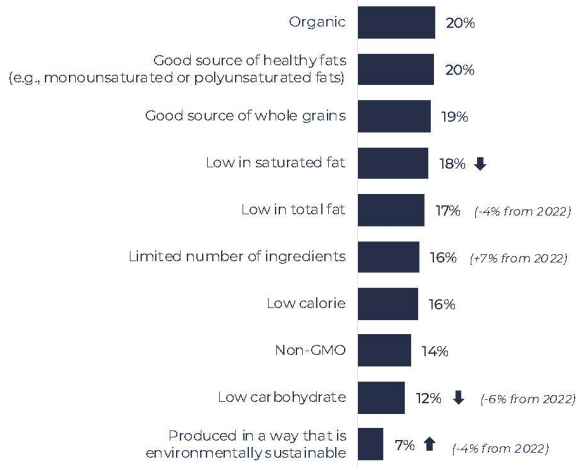
Criteria Americans Use To Define A Healthy Food

Top 10



Criteria Americans Use To Define A Healthy Food

Bottom 10



IFIC FOOD & HEALTH SURVEY

[TREND 2022-2026] *Which of the following best define a healthy food to you? Please select up to 5 choices (n=3005)*
Note: Arrows indicate statistical significance vs. 2025. Differences in parentheses indicate statistical significance vs. 2022.
Note: Respondents had 19 items to choose from in 2022 and 20 items in 2026. "Good source of whole grains" was added in 2023.
Note: "Other" (<0.5%) and "None of the above" (1%) are not shown.

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2026 Food and Health Survey

Among Americans who made a dietary guidance-related effort in the past twelve months, eating fruits and vegetables throughout the day was most often reported to have the greatest impact on their health.

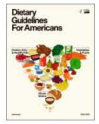
Nearly two in ten (19%) say eating fruits and vegetables throughout the day had the greatest impact on their health, while slightly fewer cite eating the right amount (16%), eating real food (16%), and limiting added sugars (13%).

Dietary Action With Greatest Impact Overall Health

Among Americans who made the effort in the past 12 months



Totals may not add up or equal 100% due to rounding.



IFIC FOOD & HEALTH SURVEY

[NEW 2026] *Of the actions you made an effort to do in the past 12 months, which one do you believe has had the greatest impact on your overall health? Select one.*
(n=2812; FILTER: Made an effort to do in past 12 months)
Note: U.S. respondents selected from the key messages reproduced verbatim from the Dietary Guidelines for Americans, 2025–2030.

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Biggest Food Trends of 2026, So Far

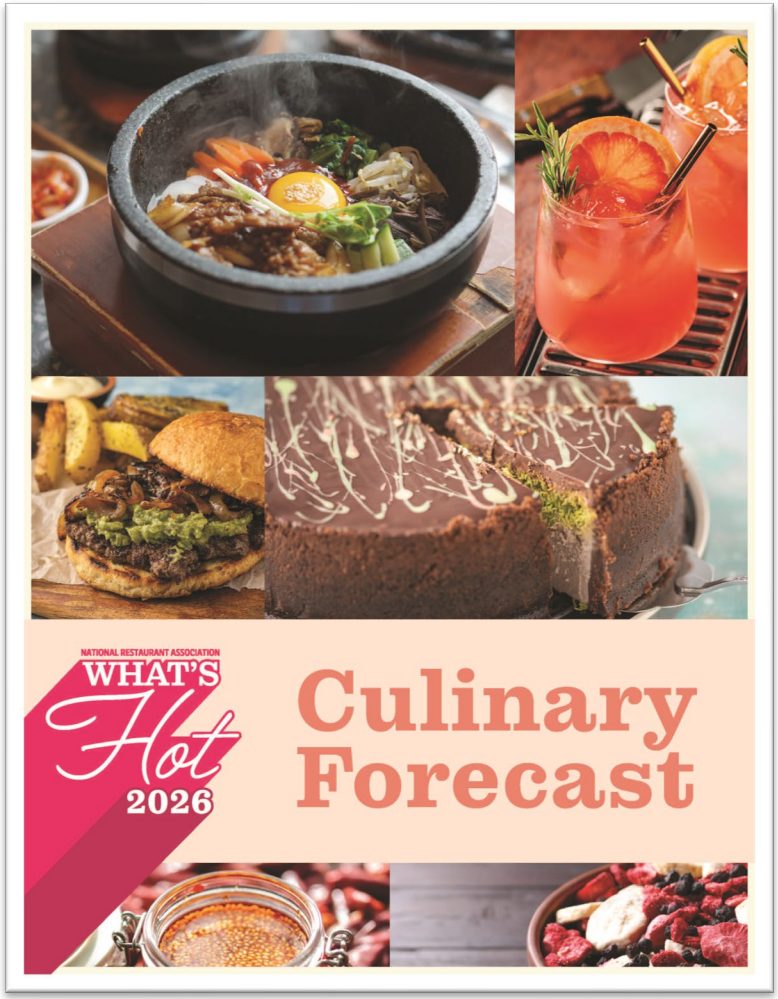


- Fiber is the new protein
- Functional beverages are here to stay
- Prickly pear is the new “IT” girl
- Sour candies have entered the chat
- Dirt cake is so back
- Jell-O shots are all grown up

The Biggest Food Trends of 2026 So Far (The Taste of Home)

Top 10 Chart-Topping Trends in 2026

1. Local Sourcing
2. Comfort Foods
3. Value Menu and Options
4. Smashed Burgers
5. Clear Menu Labeling, Icons, and Cues



What's Hot in National Restaurant Association Culinary Forecast What's Hot in 2026?

Top 10 Chart-Topping Trends in 2026



6. Allergen-friendly Menus
7. Global Comfort Foods
8. “Cleaner” Recipes, Additive- and Dye-Free or Less Processed Menu Items
9. Proteins as Add-Ons
10. Compostable and Reusable Packaging

What’s Hot in National Restaurant Association Culinary Forecast What's Hot in 2026?

Emerging Consumer Tools Rewrite the Food Industry Playbook

1. Appetite-suppressing drugs
2. AI-guided grocery decisions
3. At-home diagnostics on brands that prioritize health, trust, nutrition, and evidence-backed outcomes

High-Protein Mediterranean Meal Plan

A master guide crafted specifically for a 56-year-old woman targeting 125g+ of daily protein, entirely soy-free and vegetarian, maximizing healthy Mediterranean fats, whole-food fibers, and lean plant/dairy anchors.

1. Daily Calorie & Protein Breakdown Master Plan

Meal / Snack	Component Details	Macros
Breakfast Yogurt Bowl	1 cup plain low-fat Greek yogurt, 2 tbsp hemp seeds, 10 chopped walnuts, 1/2 cup blueberries, splash of honey.	**375 kcal** 33g Protein
AM Snack Eggs & Greens	2 large hard-boiled eggs sliced, 1 cup cucumber and cherry tomatoes, 1 tsp extra virgin olive oil, oregano.	**195 kcal** 13g Protein
Lunch White Bean Wrap	1 high-protein tortilla, 1/2 cup mashed cannellini beans with 1 tsp olive oil, 1/4 cup feta, spinach, olives. Side of 1 cup dry-roasted chickpeas.	**520 kcal** 33g Protein
PM Snack Protein Shake	1 scoop soy-free plant protein powder, 1 cup unsweetened almond milk, 2 tbsp almond butter, 1 tbsp chia seeds.	**395 kcal** 31g Protein
Dinner Lentil & Quinoa Stew	1 serving of Tuscan Lentil Stew, served over 1/2 cup cooked quinoa. Sprinkled with 1 tbsp nutritional yeast.	**380 kcal** 20g Protein
DAILY TOTALS	**Optimized Mediterranean Framework**	**1,865 kcal** **130g Protein**

2. The 90-Minute Sunday Prep Strategy

- **Minutes 1–30: Grains & Lentils** – Cook 1 cup dry quinoa in 2 cups water. Concurrently, simmer 1 cup dry brown lentils in 3 cups vegetable broth for 20–25 minutes. Cool and store separate.
- **Minutes 10–40: Eggs & Chickpeas** – Boil 10 large eggs for 11 minutes; plunge into ice water, peel, and store. Toss 1 can rinsed chickpeas with 1 tsp olive oil and salt, roast at 400°F for 25 minutes.
- **Minutes 40–60: Produce Prep** – Dice 2 large cucumbers, 2 pints cherry tomatoes, and 1 red onion. Mince an entire [illegible]ic for flavor bases.
- **[illegible]-75: Dips & Sauces** – Food process 1 can cannellini beans, 1 tbsp Calabrian chili paste, 1 tbsp olive oil, [illegible]n juice, 2 tbsp tahini, and 1 garlic clove.
- **[illegible]-90: Assembly Line** – Toss 2 cans chickpeas with half of your diced veggies, 1/4 cup feta, and parsley [illegible]nches. Portion into airtight glass containers.



At-home tests give people access to how their bodies respond to food. (Image: Getty/Svetikd)

Buckingham, L. 18-August 2026. "The three forces rewriting the food industry playbook." Foodnavigator.com

Market First: Planning for Profitable Operations

PRICES HAVE A JOB…

Why do prices communicate value?

PRICES have a JOB! Actually, 4 jobs…

1. ALLOCATE
2. RATION
3. SIGNAL
4. INCENTIVE

What is your PRICE STORY?

1. **ALLOCATE** – Market mechanism allocates scarce resources across uses
   - What goods and services will be produced?
   - How will these goods and services be produced?
   - Who will consume them?

What is your PRICE STORY?

2. **RATION** - Prices ration scare resources when demand outstrips supply
   - The greater the scarcity, the higher the price (demand decreases) and the more the resource is conserved
   - Know how to position your products based on unique attributes
     - WTP for tomatoes grown with less water
     - State branding programs
     - Trusted relationships with buyers and consumers

What is your PRICE STORY?

3. **SIGNAL** – Market prices adjust to where resources are required and away from where they are not
   - Rising prices give a signal to:
     - Consumers to reduce demand or withdraw from a market completely
     - Potential producers to enter a market
   - What does this mean to you?
     - Calculate your production and marketing costs
     - Prepare pricing playbook prices based on sales volume

What is your PRICE STORY?

4. **INCENTIVE** – motivates producer or consumer to change behavior or follow a course of action
   - Know your competitors' prices
   - Know your share of the market
     - Define your market channels – farmers market(s), CSAs, restaurants, retailers, direct to consumers – and percent of sales through each
     - Learn what incentives motivate your buyers

NOW, FOR A BIT OF MATH…

How do I price to profit?

Need to determine:

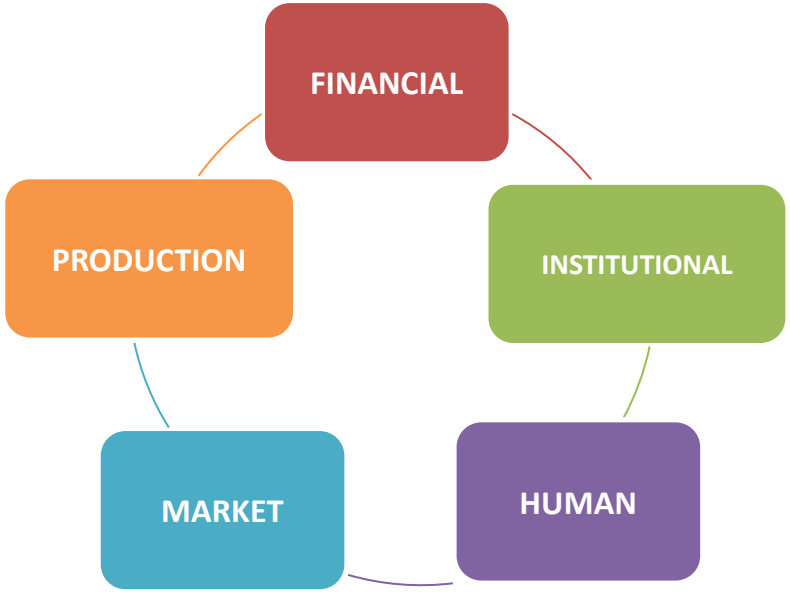
1. Total cost to produce
2. Gross margin
3. Gross profit

Nartea, T., and K.L. Morgan. (2015). Selling Directly to Buyers: How to Price Your Product. Virginia Cooperative Extension Publication AAEC-97P, Virginia Tech, Blacksburg, VA

How do I price to profit?

1. Determine total cost to produce
   - Fixed costs
   - Variable costs

Nartea, T., and K.L. Morgan. (2015). Selling Directly to Buyers: How to Price Your Product. Virginia Cooperative Extension Publication AAEC-97P, Virginia Tech, Blacksburg, VA



Market First: Planning for Profitable Operations

Q: When farmers start crunching their numbers, what are the most common 'hidden' costs or overlooked operational expenses they leave out of their break-even calculations?

How do I price to profit?

2. Determine gross margin
   - What do you want to pay yourself?
   - Percentage of sales dollars available to pay fixed costs and return a profit
   - Industry standards:
     - Fresh produce 30-40% depending on volume
     - Value-added shelf stable 15-20%
     - Baked goods 40-55%

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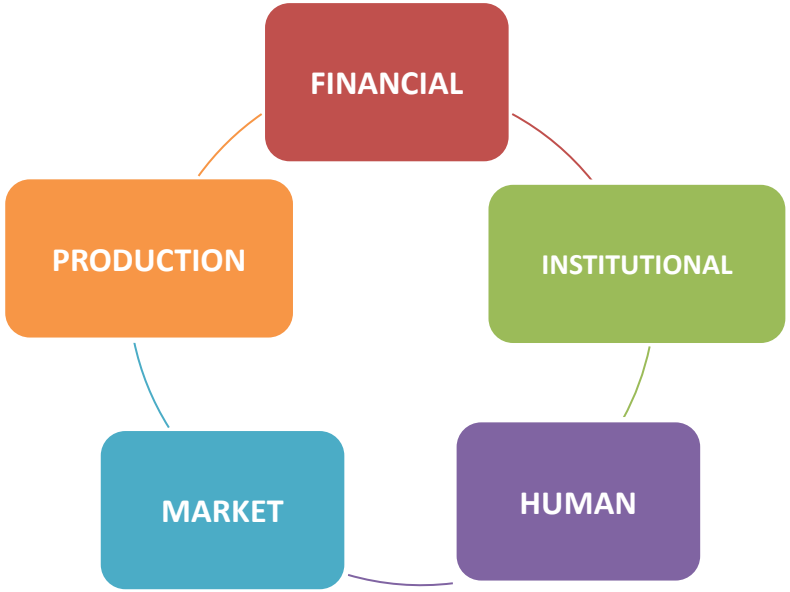
How do I price to profit?

3. Determine gross profit
   - Gross margin percentage expressed in dollar terms
   - Gross profit equation:

Total revenue - Total costs

(units sold * price per unit) – (units sold * cost per unit)

Nartea, T., and K.L. Morgan. (2015). Selling Directly to Buyers: How to Price Your Product. Virginia Cooperative Extension Publication AAEC-97P, Virginia Tech, Blacksburg, VA



Market First: Planning for Profitable Operations

Q: For a producer who has been running a 'grow-first' operation for years, or even generations, what is the first small, practical step they can take this week to start shifting toward a **Market-First** mindset without feeling overwhelmed?

Profits are…?

What can YOU control?

Its not how much you make, it is how much you SELL!

- Costs?
- Prices?

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What's my selling price?

Selling price

= variable costs/(100%- percent gross margin desired)

Ex.:

Variable costs = $2.25/unit

Desired gross margin = 40%

Selling price = $2.25/(100%-40%) = $3.75/unit

Nartea, T., and K.L. Morgan. (2015). Selling Directly to Buyers: How to Price Your Product. Virginia Cooperative Extension Publication AAEC-97P, Virginia Tech, Blacksburg, VA

What's my breakeven point?

- Break-even analysis
  - Point at which revenues equal expenses
  - Zero profit is made
  - Zero losses are incurred

Nartea, T., and K.L. Morgan. (2015). Selling Directly to Buyers: How to Price Your Product. Virginia Cooperative Extension Publication AAEC-97P, Virginia Tech, Blacksburg, VA

What's my breakeven point?

How many units do we have to sell to breakeven?

Break-even equation:

Total revenues = Total costs

units sold*price per unit = variable costs*units sold + fixed costs

Nartea, T., and K.L. Morgan. (2015). Selling Directly to Buyers: How to Price Your Product. Virginia Cooperative Extension Publication AAEC-97P, Virginia Tech, Blacksburg, VA

What's my breakeven point?

How many units do we have to sell to breakeven?

Ex.:

Variable costs = $2.25/unit

Desired gross margin = 40%

Selling price = $3.75/unit

Fixed costs = $5,000

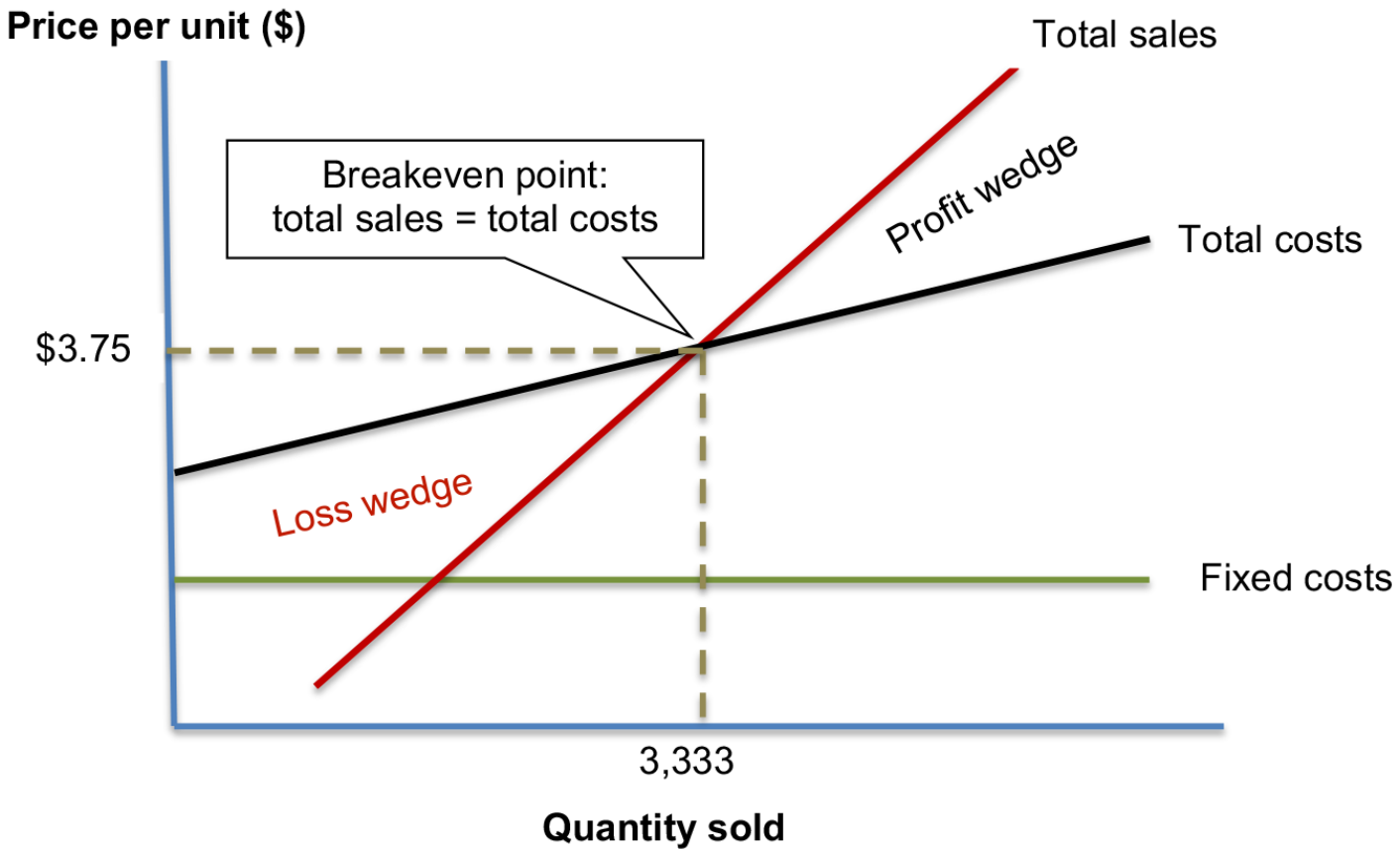
units sold*price per unit = units sold*variable costs + fixed costs

Units sold*$3.75/unit = units sold*$2.25/unit + $5,000

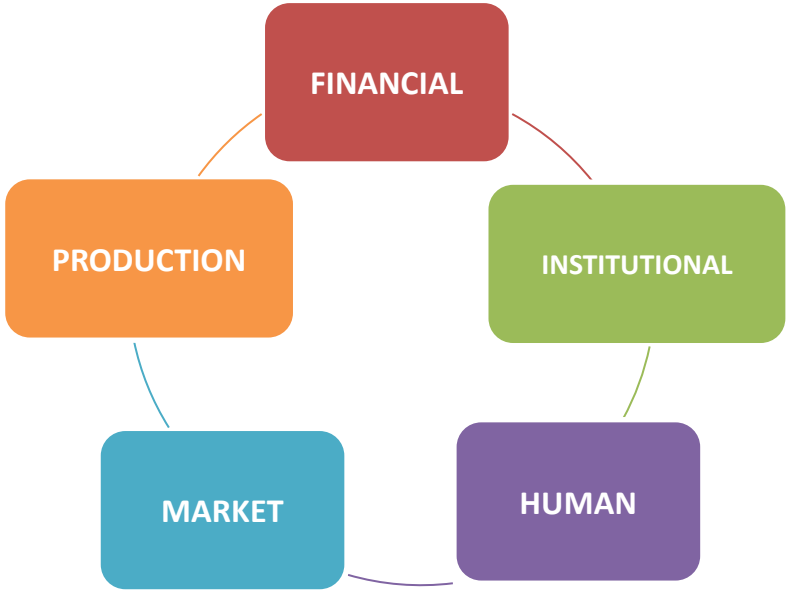
Units sold ($3.75/unit - $2.25/unit) = $5,000

So, units need to sell to break even = $5,000/$1.50/unit = 3,333

What's your zero profit/loss point?



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Market First: Planning for Profitable Operations

Q: If a producer calculates their true break-even price and realizes they need to charge more, but they're worried about pushback from their current buyers, how do you recommend they approach that pricing conversation?

Tell your PRICE STORY!!

Strategic Pricing Answers

- How do I know why people want to buy?
  - Study changing market demand conditions
  - Do your homework, inside and out
- How much will they pay?
  - Targeted marketing based on product attributes
  - Control your costs



MARKET FIRST:
PLANNING FOR PROFITABLE OPERATIONS

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