

New Entrants to Farming

Boxed Produce



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Boxed produce can be a good method of adding value to your finished livestock and/or fruit/vegetable production. A meat or veg box scheme is an operation where producers deliver fresh produce directly to customers, or via a local collection point. Boxed produce can increase profitability and output for Small to Medium sized (SME) rural businesses, and provide consumers with the opportunity to buy fresh, local produce delivered directly to their door. Boxed produce, also referred to as box schemes, allows producers to market all of their produce to consumers. This includes marketing the “whole” animal by offering different cuts of meat and marketing all of their fruit/vegetables which may include a “wonky veg” range. This is beneficial to producers by maximising returns for your produce and reduces food waste.

Boxed produce can include;

- Beef
- Lamb
- Pork
- Chicken
- Venison
- Game
- Fruit & Vegetables
- Dairy



This guide will give you an overview of the opportunities and considerations when starting a boxed produce business.

Marketing

Marketing your boxed produce is essential in order to attract and retain customers.

Market Research

It is important to understand your target market;

- Carry out competitor research; investigate market trends, who are your competitors, where do they market, and where do they find their customers? What products are they selling and what are their prices?
- What does the consumer want? – i.e. will you be able to sell all parts of a carcass?
- Who and where is your target market? What is the size of the opportunity?
- Do you have a niche product or something new? Do you have all of the resources required to consistently serve your market a high quality product and service?

For more information on market research and turning your ideas into action, click [here](#)



The European Agricultural Fund
for Rural Development
Europe investing in rural areas



Scottish Government
Riaghaltas na h-Alba
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Pricing

- What are your **costs** going to be?
- What price point are you considering for your product? Have you worked out a pricing model to allow for inflation, increased overheads, and a competitive profit margin? Can you offer incentives e.g. discounts on larger quantities or discount on repeat orders?
- Have you considered premiumisation which you could increase your price point for?



For more guidance on pricing click [here](#)

Pricing guide - <https://connectlocal.scot/wp-content/uploads/2018/02/CL-Pricing-and-Competitor-Strategy-GPG.pdf>

Branding

- Have you considered a Brand Strategy? Where do your products want to be?
- How does your target market communicate and can you tap into this?
- Do you have a business name, logo, or recognisable visual brand?
- Have you thought about modernisation, vectoring, online compatibility and consumer psychology?
- Does it convey your business's values?

Supplying your market

- Offer a range of quality products with strong provenance
- Be flexible to meet customer requirements
- Deliver on time, consistently and to a high standard
- Build a relationship with your customers to encourage repeat custom

Digital Marketing and E-commerce

E-commerce involves the purchase or sale of goods over computer-mediated networks. Most established box scheme providers use a website to promote their products and encourage customers to place orders. Marketing online via social media platforms is a great way to reach a large customer audience across a wide geographical area. Digital marketing also enables you to target specific customers and segments of the market. Whichever method you use, keep it simple, user-friendly and always consider your target market.

Packaging

It is important to consider the packaging of your produce boxes. The nature of produce you intend to sell will determine the type of packaging you require. Outer-packaging should be robust, fit for purpose, and protect the products from damage, temperature, and vibration, providing a protective barrier from oxygen, water and other environmental conditions. Your packaging should also illustrate your products and/or brand, and display product information such as cooking instructions, use-by/best before dates, allergen information, and storage requirements.

Consumers are becoming more environmentally conscious about food packaging and many food producers, suppliers and retailers have committed to reduce their use of plastic and polystyrene. You should consider the sustainability of your packaging with its reusability and recyclable potential in order to reduce environmental impacts. In many cases a "less is more" approach where a minimalistic packaging design is used is often well received by customers. Incorporating a natural theme such as wooden crates, can be a good method of attracting sales and encouraging repeat custom. More information along with suggested sustainable packaging suppliers is available [here](#)

Sustainable Packaging guide - <https://connectlocal.scot/wp-content/uploads/2018/05/CL-Sustainable-Packaging-Final.pdf>

Legislation

Before you start your boxed produce business you must register with your local authority at least 28 days before the operation starts. Registration is free and requires basic details of your business, business address, and the food activities involved. If you are responsible for developing and maintaining a business's food safety management procedures, you are legally required to have formal food safety and hygiene certification – contact your local authority for more information.

Following registration your business will undergo regular inspections to ensure that you meet food hygiene standards and legislation. You must also follow the principles of Hazard Analysis and Critical Control Point (HACCP).

For further guidance on how to manage food hygiene and safety procedures for your business click [here](#)

<https://www.food.gov.uk/business-guidance/hazard-analysis-and-critical-control-point-haccp>

Other important food hygiene and labelling regulations include;

[Food \(Scotland\) Act 2015](#)

[Regulation 178/2002 on general food safety](#)

[Regulation 452/2004 on the hygiene of foodstuffs](#)

Click [here](#) for Food Standards Scotland legislative advice when starting up a food business.

<http://www.foodstandards.gov.scot/business-and-industry/advice-for-new-businesses>



Insurance

As you will be selling produce direct to consumers you will need Public Liability Insurance. You will also need employer liability insurance if you have employees involved in the business.

Storage

The storage of your produce is important in order to keep food fresh and maintain shelf-life. Meats and vegetables must be suitably stored to eliminate the reproduction of pathogenic micro-organisms which are hazardous to health. Meat should ideally be frozen or stored at refrigerated temperatures at or below 8°C (targeting 5°C). During transportation meat should be kept chilled using suitable chilled transport, ice blocks or gel packs.

Further guidance on temperature control legislation available [here](#)

http://www.foodstandards.gov.scot/downloads/Guidance_on_temperature_control_legislation.pdf

Distribution

Most existing meat or veg box suppliers offer a delivery service direct to customers. This can be achieved in-house by owning or leasing a van, or sub-contracting out to a courier service. There are a number of benefits and limitations for each method of direct distribution.

	Benefits	Limitations
Own Vehicle	<ul style="list-style-type: none">• Complete control of the process• Ensure produce is delivered on time and to a high standard• Gain customer feedback	<ul style="list-style-type: none">• Time consuming• Costs involved with vehicle maintenance, mileage, depreciation etc.• Limited geographical audience
Sub-contracted	<ul style="list-style-type: none">• More time spent on core business activities• No direct vehicle costs• No need to employ labour to drive the vehicle	<ul style="list-style-type: none">• Less control over delivery service• Charges can reduce your profit margin• Ability to maximise vehicle loading• Possibly more robust (and expensive) packaging required

Most sub-contracted delivery providers will transport fresh produce. Courier services may ask you to complete a contract stating that it is fresh produce you are delivering for health and safety and insurance purposes.

A Food Assembly could be a suitable method of direct distribution selling directly to consumers. A food assembly is where producers send their produce to a central location, such as a school or community centre, for customers to collect their orders. A food assembly brings people together to buy fresh, local produce from farmers, smallholders and food businesses.



For more information on food assemblies and how to get involved visit;
The Food Assembly - <https://thefoodassembly.com/en>

Case Study Advice

The points below give “real-life” advice and experiences taken from three Scottish Box Scheme suppliers.

- Identify your market, who are you targeting and where do they live?
- Consider your skills base – use the correct people with the correct skills to achieve your goals and ambitions.
- Develop a USP to differentiate yourself from competitors and readily available produce
- Develop a good relationship with your slaughterhouse and butcher (meat products)
- Consider food miles and costs when transporting animals for slaughter and butchering
- People skills are essential to be successful. Consumers buy into you, your knowledge, experience, and charisma.
- Continuity of supply – can you meet year-round demand and seasonal peaks?

Useful Sources of Information

AHDB Beef and Lamb Box Scheme - <http://beefandlamb.ahdb.org.uk/directselling/box-schemes/>

Food Standards Scotland - <http://www.foodstandards.gov.scot/business-and-industry/advice-for-new-businesses>

Soil Association - <https://www.soilassociation.org/>

Quality Meat Scotland - <http://www.qmscotland.co.uk/>

Planning production for veg boxes - <https://businesswales.gov.wales/farmingconnect/sites/farming/files/052012-vegbox-scheme.pdf>

