

Making fine yogurt in Georgia¹

Taking advantage of a new trend and creating a unique product.

Like many others in the country, this company started with an inherited passion for dairy farming. After studying agriculture in New Zealand, the owners decided to settle in South Georgia, raising grass-fed cows and making a unique cream-top yogurt with various innovative flavors. Success came rapidly and the company is now selling to more than half of the states after less than a decade. Having a unique product can be tricky when it comes to sell it to a wide spectrum of customers, so what was the owners' recipe for rapid growth?

Milk production and yogurt factory spot on

Controlling 100% of its milk production and yogurt processing is one of the key factors for this company. The New Zealand-style rotational grazing style ensures efficient and nutritional food for the “kiwi” cows, which are more heat tolerant than other common dairy species in the country and thus are well suited for the hot weather in Georgia. An open-air barn for milking relieves some stress from the cows and the milk doesn't have to travel that far to be hand-crafted with real ingredients. Indeed, the yogurt factory is also built on the farm.

Having it all “under control” is surely an advantage in terms of management and profits. Also, it makes it easier when it comes to answering any questions from visitors - AKA potential customers.

Unique product: target the “niche” market

The yogurt market has grown exponentially since the early 90s due to consumers' concerns about personal health, increased advertising, and availability in grocery stores. This market is also “highly concentrated”, meaning that a few companies account for more than half of the whole country's market share. Competing with Greek, Icelandic, Australian, whole milk or organic types, the company decided to sell a “cream-top yogurt” made with lightly pasteurized non-homogenized milk and fermented with four live active cultures. In addition, the owners worked hard to differentiate their products in terms of novel flavors. Whether it is a two-fruits or a fruit-and-spice combination, each flavor is quite unique on the market.

The company is not only responding to several recent consumers' concerns such as nutrition, health, and environment, but it also satisfies yogurt gourmets with a high quality product.

¹ Based on A.M. Fink, K. Benkoski, R. Stallings, L. Davis, and M. Garrett's project developed for the AAEC3100 Food and Fiber Marketing course, Fall Semester 2016.



Reaching their customers through the big name supermarkets...

Whether they wanted it big rapidly or not, the company's owners got it. Starting their sales at farmers' markets, they soon started to supply well-known and well-frequented supermarket chains throughout the country. This meant that the company had to meet the challenge of rapidly increasing sales. They did have to build a bigger factory as a consequence, but being able to cope with their big buyers' volume requests was definitely their smart move.

... And not forgetting the community

Their first supporters, family, friends and community can still enjoy their favorite yogurts by stopping at the farm. That is part of their sustainable community plan which revolves around the farm. Acquiring and retaining a strong and loyal customer base within the surrounding community before selling elsewhere is often the best ingredient for success for small agribusinesses.

Lessons learned

They wanted it their way but still trendy.

The company controls 100% of their yogurt production, from the land and the cows to the packaging and shipping. The owners worked on a unique product recipe that would set them apart in the market. Yet, the move was particularly smart in meeting the rising number of consumers concerned over nutrition, health, quality, and environment.

They challenged themselves by going big rapidly and succeeded.

Which agribusiness owner would not be afraid of selling to big name supermarkets in more than half of the country after only two years of operation? The company took on that challenge and is still willing to grow to answer the rising demand.

Sources

- The Company's website.
- Interview between the AAEC students and the owners.

