
West Piedmont

Agribusiness Economic Impact and Marketing Strategy Study Executive Summary



Overview

Agribusiness have become increasingly recognized as a tourism driver, quality of life asset, and growing economic sector. Communities in the West Piedmont region, a hub of agribusinesses, enlisted a research team—comprised of experts from Virginia Tech’s Center for Economic and Community Engagement, Arnett Muldrow & Associates, and RambleType Digital—to develop an economic impact analysis and marketing plan.

Methods

This report is the product of eight months of data gathering, including multiple tours of the region and discussions with its people.

A critical component of this plan was input from stakeholders, partners, and agribusinesses within the region. In order to drive engagement and communicate to stakeholders what the project would entail, a Project Logo was developed and included in all communication, presentations, and documentation. The logo “SOVA Grown” is designed to connect to the existing Life in SOVA logo and website (www.lifeinsova.com) used by the PDC to promote business and activities in the SOVA region. SOVA Grown also communicates the agricultural theme of this plan, including the fact that this effort is intended to grow the agribusiness economy within the region.



SOVA GROWN



Economic Impact

West Piedmont has a long history of agriculture. Commodity farming of tobacco, cattle, grains, and other crops have historically led the cluster in terms of employment and sales. Today, the agribusiness industry is comprised of farming, value-added food and beverage manufacturing, wholesale and retail food and beverage stores, and locally-sourced restaurants. The region housed 4,961 jobs in the agribusiness sector in 2022. Agribusiness employment increased by 7% between 2016 and 2022, a net-increase of 315 jobs. Meanwhile, Virginia employment in this cluster has declined by 5%, and U.S. employment has remained stagnant. While crop and animal production employment declined in West Piedmont in the last five years, other agriculture related businesses grew; for example, the following industries grew faster than the national average: animal slaughtering, beer and ale merchant wholesalers, food service contractors and caterers, and snack and nonalcoholic beverage bars.

Sales data indicate that the agribusiness cluster is a traded cluster that provides significant economic support to the region through the inflow of new money. The West Piedmont agribusiness cluster made almost \$1 billion in sales in 2022, 71% of which was sales money from outside the region. In comparison, the wood products cluster with comparable employment numbers made \$1.07 billion in sales, 83% of which was from exports. A small portion of that money immediately leaves the region resulting in the direct economic impact from agribusiness (direct effect). Those direct impact dollars are spent on businesses purchases in and outside the region (indirect effect) and employees who then spend the money in and outside the region (induced effect).

Total economic output due to West Piedmont agribusiness in 2022 was more than \$912 million, equating to as many as 9,753 full-time equivalent jobs and \$92 million in federal, state, and local tax contributions. Most taxes are of a federal nature (approximately \$50,000,000), some of which is paid back through federal programs and grants. The industry then contributes approximately \$28,000,000 in state taxes and \$15,000,000 in county and local taxes. This economic impact can be improved in one of two ways:

1. Growing the industry, particularly in terms of value-added food and beverage manufacturing, wholesale food and beverage, and agritourism.
2. Strengthening the regional supply chain. Regional businesses are not necessarily buying much from the regional cluster, as illustrated by 68% of regional demand being imported into the West Piedmont region. Agribusiness in the district may be boosted simply by encouraging the regional food systems to rely more on locally produced agriculture than imported goods, thus keeping more dollars circulating locally rather than exporting locally produced goods and paying for those same goods to be imported from elsewhere.



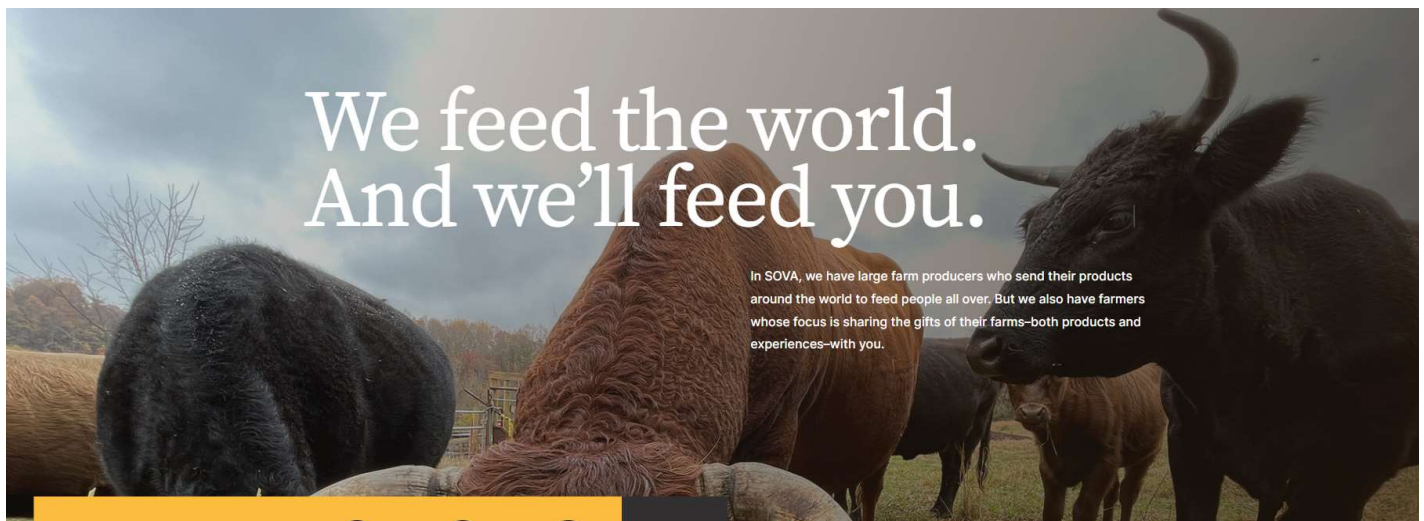
Marketing Plan

The Marketing Plan seeks to establish a unified brand identity to connect the agribusinesses and promote agritourism assets throughout the region, including: a brand Identity comprised on consistent colors, typeface, and graphic composition that can be used to market the region as a destination for agritourism and agribusiness; a market position that presents the different themes of agribusiness in the region and describes the unique experiences offered; application of the brand to Digital Tools including a website, community calendar, digital advertising and social media (presented in a separate section); and tools to connect the region's agribusiness through shared marketing and effective communication. There has been successful regional marketing of tourism and outdoor recreation assets within the area, but many agribusinesses have lacked the capacity to effectively implement their own messaging.

The plan creates graphic marketing strategies and brand extension, building off the unique SOVA, West Piedmont, and local community identities. The Southern Valley brand focuses on the agricultural environment and experience to present the collection of regional assets. Strategies begin with crafting a collective message for West Piedmont agribusinesses targeting locals, heritage tourists and agritourists. This is promoted through the SOVA moniker and its extended icons and banners that tie each community to the agribusiness assets and each other. Other key strategies include a "One more things" posters, merchandising, ads, signage, and initiatives for a highlighting local ambassadors."

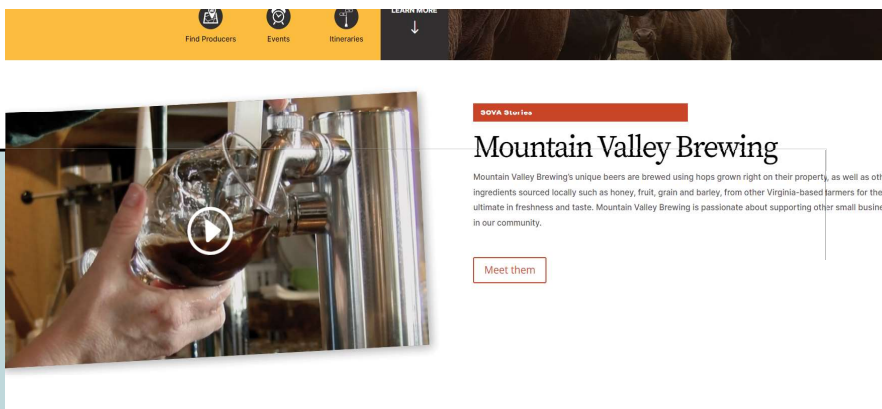


Website Plan



“The website for this project is the public face to the agriculture industry in the region, designed to attract visitors and customers to the agriculture producers here. The site also acts as a resource for producers to gather and share information about doing business in the region and become a data repository for information about the agriculture businesses in the region. The website features a calendar of events that tracks and displays agriculture events in the region, compelling stories of producers in the region, and itineraries for “guided tours” through the region.

The website is curated to market to different audiences in order to gain the most traction from this project. There are three primary audiences to reach: local producers, in order to familiarize them with the brand and encourage them to participate; the local community in the region, in order to familiarize them with the brand and to encourage them to increase their consumption of local agricultural product (including “experience” products like farm visits); and tourists who might be looking for a destination to visit or a set of experiences to enhance an already-planned trip. Advertising strategies include local marketing, address-targeted advertising, behavioral advertising, streaming advertising, native advertising, and retargeted advertising.”



Sustainability Strategies

Business Organization & Tracking

A robust understanding of agribusinesses and agritourism assets, including those that need cultivation and connection, is critical to supporting and expanding the growing agriculture ecosystem in the West Piedmont region. This requires continual assessment of assets and supportive services to collectively track businesses, their needs, and their impacts. The strategies below focus on building sustainable networks to strengthen the development of agribusinesses and agritourism as well as provide ongoing inventory and user tracking.

- Maintain WPPDC agribusiness website as a living, interactive tool for visitors, businesses, and agribusiness professionals
- Foster a culture of continuous business data monitoring, tracking, evaluating, assessing, and celebrating progress.

Business Development

The previous section focuses on creating connectivity between agritourism assets, business and data sets to track customers and their impact. Meanwhile, this section outlines strategies to create a thriving, supportive business environment to grow and be successful. It is divided into three sections: entrepreneurship, funding, and capacity.

- Foster Entrepreneurship
- Building and Maintaining Capital

Resources and Funding Sources

The following resources can support and grow West Piedmont's Agribusiness Industry Cluster. While not an exhaustive list, these are accessible and often underutilized. We have split them into financial programs and educational programs.

- Financial Programs and Incentives
- Farmer's Markets





Steering Committee Members

Kristie Eberly, Project Lead, West Piedmont Planning District Commission; Amy Davis, Moses Mill Farm; Anna Prillaman, Twin Creeks Distillery; Becky Roberts, Virginia Cooperative Extension (Pittsylvania County); Beth Simms, Franklin County; Carol Haynes, Virginia Cooperative Extension (Franklin County); Cynthia Martel, Franklin County Virginia Cooperative Extension; Daniel Pinard, Town of Rocky Mount; Jessie Scott, KC Farms Meats; John Harris, Harris Farms and Farmhouse Butchery; Kim Davis, Friends of Southwest Virginia; Melanie Barrow, Virginia Cooperative Extension (Henry County/Martinsville); Michael Armbrister, West Piedmont Planning District Commission; Olivia Garrett, West Piedmont Planning District Commission; Peggy Donovan, Mountain Valley Brewing; Scott Vernon, Sustainable Homestead Institute; Sean Adkins, Patrick County; Stephen Barts, Virginia Cooperative Extension (Pittsylvania County); Rebecca Adcock, Patrick County Chamber



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