

## Marketing goats

All goat producers are involved in marketing to some extent whether they choose to be or not. This may simply involve calling a local livestock agent or offering goats on-farm, right through to selling premium branded cuts through a butcher's shop, farmer's market or restaurant.

This factsheet supports producers in making decisions regarding marketing options for goats. In making these decisions, goat producers should consider the following points:

- What can I most efficiently, consistently and sustainably produce in my production environment that will allow me to maximise profit and which market does this suit?
- How do I prepare and market this product to gain maximum price advantage?

### Understand market requirements

Goat producers should always be aware of their customer's requirements. This customer may simply be the goat buyer or, in the case of an integrated supply chain, the end consumer.

To what extent a producer extends their interest through the supply chain is ultimately up to personal choice; however, regardless of the degree of involvement, it is critical that producers understand market specifications and tailor their enterprise to deliver goats that meet those specifications. This applies equally to rangeland goat producers selling goats for live export to Malaysia or for export as frozen boxed product to the United States, stud Boer goat producers selling bucks to commercial breeders or producers supplying branded goatmeat at farmer's markets. Each producer must understand what the market requires if they are to operate a successful goat production enterprise.

### Factors in choosing a market

Generally speaking, one or more of the following influence the market available to and price received for goats: gender, weight, age, breed and condition. The reality is that the vast majority of goatmeat is marketed as a commodity product into international markets. Under this situation, there is limited opportunity to achieve a price premium, making efficient, low cost production particularly important to maximising profit. A small, higher value market exists in some areas and this is typically (but not exclusively) supplied by farmed goats such as the Boer goat. Such opportunities tend to be highly specialised and often higher cost, making a price premium to commodity goatmeat production essential to making a profit.

### Key points

- Consider all market options available to you as a producer and select an option which you are confident you can supply, delivers a profit and complements your circumstances.
- Determine what turn-off weight and age suits your production environment and devise management strategies that suit your circumstances.
- Understand market specifications and draft goats according to these specifications to maximise returns. Market specifications typically include one or more of the following: gender, weight, age and condition score.
- When considering weight specifications, ensure you understand terminology and how to convert carcass weight to live weight and vice versa.

In determining which market to target, a producer must first and foremost consider:

- their production environment
- marketing options and seasonality (not all products are demanded or able to be supplied at all times of the year)
- supply capability.

### Production environment

In seeking to optimise the productivity and profitability of a goatmeat production enterprise, the constraints and advantages of the production environment should be considered. A good way to think of productivity is in terms of the turn-off of kilograms of goatmeat per hectare (kg/ha). In more intensive farming operations, this will be influenced by the number of head and also growth rate. In extensive rangeland operations where there is minimal intervention, the number of head tends to be more important than growth rate.

Growth rate is particularly important when trying to maximise weight at a particular age, for example in the sheep industry, trying to maximise the weight of lambs before they cut their teeth to become hoggets.

While ‘capretto’ and ‘chevon’ are used in some cases to describe goatmeat, unlike lamb, there is not a clearly defined and well recognised industry-wide descriptor for product from a lamb equivalent (kid) and market specifications tend to focus more on live weight than age as defined by dentition. This means understanding live weight and growth potential in a particular environment is generally more important than understanding age unless you are supplying a niche market in which case the specific market requirements must be clearly understood.

In farmed goat production enterprises, goat growth rates, particularly from birth to weaning and from weaning to turn-off, require consideration when seeking to maximise productivity and profitability. Breeding and nutrition are important factors which influence growth rates. Where supplementary feeding is required to achieve a particular production level, this must be carefully balanced against expected return to ensure the additional cost can be justified.

## Marketing options

Producing goats for a market involves understanding market specifications. Market specifications may include gender, age, breed, condition score (a measure of fat cover) or weight with weight quoted as either live weight (lwt) or as dressed or carcase weight (cwt). When selling on a live weight or carcase weight basis, it is critical that accurate on-farm weighing and assessment occurs prior to sale to avoid significant price penalties.

Accurate weighing and an understanding of growth rates leading up to sale can also allow for proactive management toward a particular sale date. For example, goats may be drafted into sale groups based on their weight with a predetermined sale date based on growth rate determined to maximise return.

In farmed goat production enterprises, growth rates require consideration when seeking to maximise productivity and profitability



The cost/benefit of supplementary feeding should be compared with holding goats over



Table 1: Calculating turn-off targets: 35kg lwt, condition score 3 at 44% dressing, 14-16kg cwt

	1st draft	2nd draft	3rd draft
<b>Target live weight</b>	35kg	35kg	35kg
<b>Average weaning weight</b>	20kg	18kg	15kg
<b>Average growth rate</b>	0.25kg/day	0.2kg/day	0.2kg/day
<b>Days to target (weeks)</b>	60 (9)	85 (12)	100 (14)

In Table 1, the first draft kids will meet market specifications in 60 days on feed quality which will generate growth rates at 0.250kg/day. The third draft kids will require 100 days to reach a similar turn-off target.

Maintaining projected growth rates to turn-off dates depends on feed availability and feed quality. Timing kidding to coincide with good feed production so as to optimise growth rates is important. If sale weights are unlikely to be achieved within a given timeframe, the cost/benefit of supplementary feeding to achieve these weights can be compared with holding the goats over and an objective decision made accordingly. This decision should be made in consideration of the whole enterprise and importantly consider the impact retaining light animals would have on the broader enterprise, most particularly on breeding does. If retaining light animals affects the ability to feed and optimise the condition of breeding does, it is unlikely this will deliver a positive outcome to the business. These animals may be better traded out of the business into an alternative market.

## Supply capability

Regardless of which market a producer is targeting, producing a consistent product and being able to supply that product will help ensure that the best price is received for the product on any given day regardless of external influences. The profit margin of the enterprise can then be maximised by minimising the cost of production.

## Product consistency

A producer's ability to supply consistent lines of goats is the basis for establishing a sound marketing relationship with a customer; whether that be a processor, live exporter or butcher. Wide variations in carcass weight and condition score make the task of processing and marketing a product more difficult.

Variations in goat carcasses make marketing difficult



On-farm weighing and establishing drafts of animals at similar stages of growth and condition score enable marketing of a more consistent product. This also minimises the potential for animals to fall outside specifications and incur costly discounts.

## Supply consistency

Consistent supply is critical to the ongoing development of the goatmeat industry and individual supply chains. Producers must be realistic about their supply potential as this assists with their own business planning as well as downstream businesses. Committing to and then failing to deliver goats according to specification is economically costly and can damage the reputation of your business and the industry.

Goats are seasonal breeders with most does kidding in spring. Kids generally reach market turn-off at the same time depending on growth rates, therefore concentrating supply to one time of the year. Such seasonality is less of an issue for mature commodity goats although supply can still be an issue as most of these goats are opportunistically harvested and drawn from rangeland areas where availability can be an issue at particular times of the year. An increase in the number of semi-managed herds within the industry will assist in mitigating this issue.

Out-of-season finishing systems such as feedlotting, crop grazing or conserved rangeland grazing may enable goats to meet market specifications at other times of the year but the production costs need to be offset by a sufficient margin for the out-of-season product to be profitable. Goat depots play an important role in consolidating goat numbers and regulating the supply of goats from major production areas.

## Cost of production

Knowing how much it costs to produce a kilogram of goatmeat provides a benchmark for establishing the price you need to achieve in the market place to cover costs and show a profit. If this cost cannot be consistently exceeded by the price received, other enterprises should be explored. The cost of production should be minimised to help maximise the profit margin and any increase in cost of production should deliver an increase in return which equals or exceeds the increased cost.

## More information

- *Going into Goats: Profitable producers' best practice guide - Module 8 - Marketing, Table 1 - Market specifications.*
- *Factsheet 1: Profitability in goat production.*
- *Factsheet 3: Understanding dressing percentage when marketing goats.*
- *Factsheet 8: Grow-out options to meet market specifications.*
- Market reports provide information on market prices as well as supply and demand trends within the industry. MLA produce regular market updates on slaughter numbers and prices. These are available from the Prices and Markets section of the MLA website: [www.mla.com.au/Prices-markets](http://www.mla.com.au/Prices-markets)
- MLA Cost of Production Calculator as well as mixed species case studies: [www.mla.com.au/extension-training-and-tools/tools-calculators/Cost-of-production/](http://www.mla.com.au/extension-training-and-tools/tools-calculators/Cost-of-production/)
- For courses and workshops designed to improve business skills visit: [www.mla.com.au/events](http://www.mla.com.au/events)



MEAT & LIVESTOCK AUSTRALIA  
Meat & Livestock Australia  
Level 1, 40 Mount Street  
North Sydney NSW 2060  
Phone: 1800 023 100  
[www.mla.com.au](http://www.mla.com.au)  
July 2017