



## FLAVORED GOAT CHEESE AS A VALUE ADDED PRODUCT

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### **ABSTRACT**

Flavored goat cheese has huge potential in developing into a successful value added product. Goat cheese is a delicacy and could serve and cater to high value customers in the high end city restaurants, cafeteria and markets specialized for value added products. Goat cheese is healthier and neutraceutically enriched compared to conventional cow cheese. The benefits of goat cheese are high and this should be marketed as specialty products with health and nutritional benefits for the targeted customers. This could be an effective opportunity for small indigenous goat milk and cheese producers to supplement their annual income through on farm production of flavored goat cheese and allied products for their high value targeted customers.

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### **INTRODUCTION**

Flavored goat cheese is a value added product which has many interesting perspectives to it. What is so interesting about it is that regular cheese is considered both a delicacy and a common food in many countries. When we start using goat milk to make cheese and add flavor to it, we get a product which is very unique but still a product which many people will eat. Adding this extra value to it brings the cheese from a regular food to the top of the delicacy foods list. Farmers who produce flavored goat cheese control the entire value chain, and as a result they have the potential to make huge profits off of their product (Caldwell, 2011). Flavored goat cheese is a very interesting product all the way from how it is produced to how it gets served in some very high end restaurants. The majority of goat cheese is produced by the farmer who milks the goats. By doing this there are a few levels of manufacturing that are skipped which results in higher margins for the person selling the goat cheese (Weinstein and Scarborough, 2011).

Milking their own goats and from that milk producers could make cheese and add extra value to it by adding

flavor to the cheese, and they sell the cheese right to the customer (Noble Meadow Farms, 2018). This way the producer can make more money because they do not have to buy the milk or sell to a wholesaler. Flavored goat cheese is considered both a delicacy and a common food. Many people around the world eat cheese as a common food, but flavored goat cheese is usually used as a delicacy (Mourik, 2016). Because of this, the value of these specialty cheeses increases to many times its production value. Specialty products around the world always sell for more than regular products which are similar (McMahon, 2023). Goat cheese producers have to take advantage of this and add flavor to their cheese so that they can sell their products as specialty products for a higher premium than people selling their cheese as a common food product (What's Cooking America 2023).

### **Start Up for Goat Flavored Cheese**

There are many things to look at and consider when wanting to market a new value added product. The amount of research needed, as well as survey and knowledge to gain before starting a value added

product is immense. This is because we have to have some sort of an idea of whether or not this product will survive. We will take a look at the potential it has, if there is a market and what that market is, and all of the other aspects of this value added product. If we want this to be a successful product we will have to look at the primary and secondary research that will be needed. This will give us an idea on how well flavored goat cheese will do in this agricultural industry. We will also be taking a look at what a business plan is and how it can future help us with value added product; and we should look at regular goat cheese and kind of compare it to what we are trying to do. Because there is already a market for goat cheese, we need to find out what we can do differently to make flavored goat cheese compete in the same market.

Regular goat cheese, which is with no added flavor, is wildly popular because of its nutritional value and the

actual taste of it. It has been around for many years and it is something that people have become accustomed to. If we want to market flavored goat cheese then we are going to have to incorporate these types of characteristics in our value added product. We can keep it just as nutritional as regular goat cheese, possibly adding more nutrition with our flavor, but changing the taste might be difficult because it is already liked. Taking something that is already established in the market and changing it is going to be the difficult part. Sure we can make our own goat cheese and sell that at the Farmers Market, but what we really want to do is something different. Flavored goat cheese will be different, but not too out of the norm that people will not give it a try. We need to think about the consumer and what they are going to want (Table 1).

**Table : Merits and demerits of Flavored Goat Cheese Production.**

Merits	Demerits
Potential of huge markets	Hard to establish a steady market base
Value added product which can be sold for a higher premium	Can be very labor intensive
Only a few producers nation-wide	Huge competition from cow cheese producers
Lower start-up costs than cow cheese	Hard to convince people that it is a better product than cheese made from cow milk

Farmers starting their own goat cheese operations may be overwhelmed by start-up capital costs of the industry, but there is a lot of potential for these farmers. There are farmers who start milking goats but they just sell their milk to local factories, but farmers who milk their goats and make their own cheese control the entire value chain and as a result they have both financial and economic potential with their flavored goat cheese operation (6). Since there are only a select few people who produce flavored goat cheese, it is a huge advantage to be able to control the majority of the market. Fig. 2 – Cow Cheese vs. Goat Cheese

#### **Potentiality of goat cheese in terms of business opportunities**

The sky is the limit when it comes to marketing flavored goat cheese. Every country in the world has a population which eats cheese (5). Cheese is one of the most common foods in the entire world. If a flavored goat cheese producer can recognize this, it might be possible to find international customers who want to buy the flavored goat cheese as a delicacy (2). This

would be financially feasible and also produce endless opportunities as far as marketing is concerned. If a steady customer base can be built up, flavored goat cheese can be one of the best products to sell since it will be stable and secure. By adding flavor to goat cheese, there is a lot of value being added since it is being labeled as a specialty product after the flavor is added (5). This flavoring is the most expensive part of the entire cheese but as a result it will create a product which can be sold for more than 100% of its initial production costs (3). The flavoring is the trick behind creating a value added product which is unique and will generate revenue for a business starting in the flavored goat cheese industry. Goat cheese is also healthier and more neutraceutically enriched than cow cheese. It has lower calories, cholesterol, and even lower fat content than cow milk, and as a result it is healthier and should make the product more attractive for the general public. The hard part is trying to convince people that they should be buying flavored goat cheese instead of cow cheese.

So now we will have to do a good amount of research to

see just how many people would try this out. This is called the primary research portion of value added production. Some of the different questions we need to ask here are; is there a market for flavored goat cheese? How much will the start up costs be? What will the price of the product be- producing and selling? Then we will need to do some secondary research. The secondary research is a little more specific with the kinds of customers, and also the different flavors that we can have and so on. Both of these types of research are very important when it comes to value added production. One thing is will need to find out is what kinds of customers our product is aiming for. This includes:

- Age
- Sex
- Education
- Income
- Marital status
- Size of household
- Number of income generators
- Recreational interests
- Household appliances owned

**Table 2: Example of Cross Tabulation.**

Age	% of people that like goat cheese	% of people willing to pay more for flavored goat	cheese% of people who eat goat cheese at least once a week
15-20	20	5	5
20-25	40	20	30
25-30	40	75	65

The more research done the more we can see the potential that flavored goat cheese has in the market. Another question to answer is; where is this market going to be? Here with the flavored goat cheese we can look at producing it locally and selling it locally at a farmers market. Purchasing product locally today is a big factor when it comes to consumers. People like to know where their food is coming from and they like it when it is the community that is benefiting from the sales. Flavored goat cheese can easily be produced and sold locally or even throughout the province. If we cut out the middle man, do most of the work and labor ourselves then our product will be of better quality and also more affordable for us and for our customers. We can make a value chain that will demonstrate how our product gets from the farm to the farmers market. For example:

Producer (farmer, labor, goats, machinery) → Farmers market → Customer

Then we will have to send out surveys and questionnaires to get even more specific in our research. This is a very important part of value added production. It gets into the minds of the consumers and lets us know detailed information that will aid us in our decisions. This is an example of some survey questions for the value added product of flavored goat cheese:

1. How often do you eat goat cheese?
2. What types of flavors would you prefer?
  - A. Cranberry
  - B. Herb and Garlic
  - C. Roasted Pepper
3. How much would you pay for this product?

Once we have all of this information we can put it into cross tabulation (Table 2). This is a table that organizes all of the answers we get from the questions we ask for us to refer back to for information. This is an example of one:

This here is a general idea of what a value chain looks like. If we are going to produce and sell our product locally we do not need shipping, transportation, or retail to aid us. All of the steps taken for our value added product of flavored goat cheese comes from a business plan. A business plan is a necessity when it comes to value added products. It basically is everything we have already looked at and giving them a real spot in the production of our flavored goat cheese. Some of the aspects of a business plan are as follows:

1. Executive summary
2. Introduction (history and background)
3. Mission Statement (summary of goals and objectives)
4. Vision Statement (future goals)
5. Core philosophy (ideas and beliefs)
6. Main and subsidiary business areas

7. Goals and objectives (goals towards value added production and more on products)
8. SWOT (Strength, Weakness, Opportunities, and Threat) analysis
9. Challenged and opportunities (ideal market)
10. Action plan/ road maps
11. Financial plan

Something else to take into consideration is the supply and demand of other products. This will give you an idea of what competition is out there and how well they are doing in the market.

## CONCLUSION

Flavored goat cheese is a value added product which has a lot of potential to become a successful product. It is a product that is eaten as both a delicacy and a common food in many different countries. It is a product which is produced on-farm on the majority of goat cheese operations and as a result it creates higher margins of profit for the producers. By adding flavor to goat cheese, a product is created which has a lot of added value and as a result it has potential to be sold in many different countries world-wide. Over all there is a lot to be learned before you start on a value added product project. You cannot just jump into the project without doing any research or planning. Knowledge is going to be your biggest helper and is going to aid you the most with your work. Having a great team and being organized are also factors that play a role in value added productions. Regular goat cheese is not a value added product, but when we put our own spin on it, adding flavor, selling it at a farmers market, we add the value to make it different and possibly very successful. The important take home messages being:

- ➔ The majority of flavored goat cheese is produced and sold by the same business.
- ➔ Flavored goat cheese is considered both a delicacy and a common food.
- ➔ There is a lot of potential for farmers who are starting their own flavored goat cheese operations.
- ➔ Flavored goat cheese has the possibility of becoming a product which can be sold in every country of the world. It has no ethnic or cultural drawbacks.
- ➔ Adding flavor to goat cheese adds extra value to the product and as a result it can be sold for more than a 100% profit margin.

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