

A woman with long blonde hair, wearing a black t-shirt, and a young boy with short brown hair, wearing a light blue t-shirt, are standing in a garden. They are both smiling and looking down at a small green plant that they are holding together. The background shows a wooden raised garden bed, a wire fence, and a field of green grass under a clear sky.

How to Start A *Homestead Business*

planning guide

Kody Hanner

How To Start A Homestead Business
Planning Guide
by Kody Hanner

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Hi, I'm Kody Hanner.

I'm a homesteader, wife, mother of 6, and founder of The Homestead Education.

I created The Homestead Education to share my passion for homesteading with the world, and create educational resources to help the next generation of learners to be self-sufficient, successful adults.

I have been devoting my life to agriculture and supporting rural living since a young age. I majored in agriculture – animal science and then went on to work in commercial agriculture as a food safety specialist for several years. I then realized that I enjoyed the creative process of working with small farmers and homesteaders. I have continued to do this to some extent for the last decade, including starting my own profitable homestead.

"My family is ready to start creating an income from our homestead, but we're not sure where to start."

This is something I hear from SO many of you at conferences and on social media. To help you get started on your journey, I've created this guide! It will give you the information you need to know and things to consider planning, starting, marketing, and earning money from your homestead business.

Have questions or want to see more homesteading content?

Follow me on [social media](#) or head to my [website](#)!

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Brainstorming Your Homestead Business

Brainstorming Your Homestead Business



Brainstorming Your Homestead Business

It all stands with an idea...

Have a clear and realistic goal.

This is key to knowing where you are going in your homestead business journey. Your goals may be to have extra spending money, to support your homestead, pay a certain bill, or even be your full-time income. All of these are valid goals. You may just need to be realistic about how fast you would like to reach them.

Some homestead products can start producing money right away. A good example is plant sales that may be marketable within a month or two from starting seed. Other products could be a couple of years' wait time to begin making money. This is often the case when considering anything with cattle, such as raising a steer for beef or a heifer calf to be your family milk cow.



In having a realistic goal, consider how much of the product you would need to sell to reach your goal and how much money you can or are willing to invest. First-year plant sales are a fairly low investment and could realistically cover a household bill for the year. Whereas an established beef cattle operation could cover a mortgage each year, the financial investment could be tens of thousands of dollars over the years before the first profits are seen.

Some homesteaders are concerned about starting a homestead business with a product that they have little experience in as well. Admittedly, there can be some financial risks in trial and error, but the amount of information available to new homesteaders it takes many of the questions out of the equation. So find something that brings you joy because all of it requires work (sometimes hard work), so your homestead business must be something you look forward to each day.

I cover building a homestead business over time later, but in pacing yourself, you can make sure you enjoy growing and creating your products before too much of a time or financial investment.

Everything is sellable.

Recognizing that is the first step in a homestead business. Homesteaders have grit and ingenuity. Don't let that drive and skill go to waste. When thinking about a product to sell, this does not refer to all the junk in your garage (or maybe it is if those are the first steps you need to take for cash flow or space). This also includes considering the steps along the way. Did you create compost for your plant sales? Can you sell the compost while the plants are growing? Do you have a pregnant cow that you aren't milking? Maybe they can graze the neighbor's pasture for payment or even so you don't have to buy feed for her?

Trade, bartering, and replacement of needs within your household are considered non-monetary income. These benefits should not be overlooked when considering the whole picture. This is especially true when in the first years before establishing an income. It is also a powerful tool for reducing your monthly budget to allow for the homestead investment.



Homestead Business Ideas

- 
- Vegetables
 - Vegetable Starts
 - Mature Plants
 - Fresh Herbs
 - Dried Herbs
 - Blended Herbs
 - Dehydrated Fruits
 - Dehydrated Vegetables
 - Honey (Bees)
 - Quail or Chickens
 - Cottage Foods
 - Heirloom Seeds
 - Recipe Books
 - Baked Goods
 - Canned Foods
 - Live animals
 - Eggs
 - Raw Milk
 - Flowers
 - Dried Flowers
 - Freeze Dried Products
 - Compost
 - Customer Soil Mix
 - Worm Farm (Casings)
 - Meal Worms
 - Microgreens
 - Salad Greens
 - Homemade Soap
 - Homemade Lotion
 - Dry Tea Leaf Blends
 - Tinctures
 - Packaged Meat
 - Farm Tours
 - Wedding Venue
 - Homestead Classes
 - Cooking Classes
 - Farm Store
 - Firewood
 - Homemade Bread
 - Petting Zoo
 - Animal Boarding
 - Animal Training
 - U-Pick Fruit Orchard
 - Crocheted/Knitted Items
 - Farm Sitting
 - Cook Books
 - Wool or Fleece
 - Spin Yarn
 - Hay or Straw
 - Christmas Tree Farm
 - Mushroom Farm
 - Aquaculture
 - Homemade Soda
 - Candles
 - Potpourri
 - Build Chicken Tractors
 - Build Garden Trellis'
 - Build Tomato Cages
 - Rent Equipment
 - Barn Yard Movie Night
 - Horse Riding Lessons
 - Tractor Work



Use creative marketing

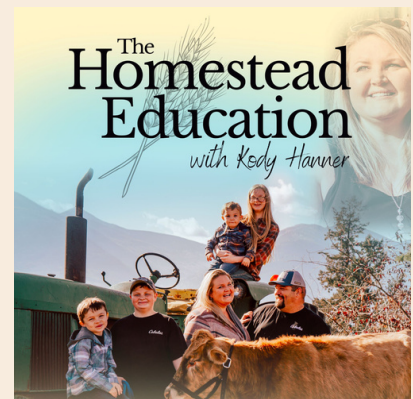
These strategies make you stand out. A flyer on a community board or even an ad on social media are solid avenues that prove to be tried and true. But what about education and building excitement?

If you are trying to sell a product in a flooded market, look at what the successful sellers are doing and emulate that. Then, find ways to add value to your product. Recipes, education, and different product forms (dried herbs vs fresh herbs) are all examples of value added.

Are you the only one selling a product? It would be best if you made sure people know you exist and they educate them on why they need your product. This can be done face-to-face at a farmers market, through a blog, social media, or word of mouth. The bottom line is, if you aren't selling something familiar like eggs but unfamiliar like spoon butter, you may want to teach potential customers how spoon butter will keep your wooden kitchen utensils from cracking and splitting.

Customers that learn from you and trust you are more likely to purchase from you again and to tell others about their positive experience with you. Don't leave opportunity on the table, there is always someone who is excited to learn.

Listen to my podcast episode,
*“How I Saved My Struggling
Homestead”*,
about setting goals and
selling everything!



Brainstorming Your Homestead Business

It all starts with an idea...

Go step by step to work through brainstorming what type of business to start.

1. Have a clear and realistic goal
2. Everything is sellable
3. Use creative marketing

Have a clear and realistic goal

How much money do you want to make?

How would this income impact your family?

When do you need to make this amount?

Who is able to help or support you in this goal?

Everything is sellable

What products do you have in mind? (It's ok to change your mind!)

Brainstorm Below

From your ideas above, what would your prices be? Write down an estimated cost of your supplies, time, and expertise. Then double for price.

Brainstorming Your Homestead Business

It all starts with an idea...

Use creative marketing

Are there a lot of people selling these products?

Who is currently doing a great job selling them?

If you are the only one selling this product - how do you plan to market and promote? Is there a business you like that's doing a great job at marketing?

Your Business Ideas



Planning Your Homestead Business

Planning is essential to success...



Planning Your Homestead Business

Planning is essential to success...

A lot of information available about all the different ideas on how to make money in your backyard garden or homestead. However, for those who don't have a business or marketing background, that can be overwhelming. Plus, when someone suggests making money selling flowers, its hard to imagine making any real income, especially on a small scale. This is where I'm going to give you some real ideas, and then we will work through a whole scenario.

Land Considerations

How much land do you have?

If you are working with a patio garden, raising enough tomatoes to feed your family may even be a challenge with the space you have. But it is reasonable to think you could grow enough herbs or microgreens to make a difference.

Now, if you have a lot of land, you need to look at what is already established and what will need to be cultivated. The property I bought had a ton of apple trees and grapes that I harvested and preserved the very first year. I may not have made any money off them, but remember that any money I saved that next year by not buying juice for the kids is considered non-monetary income and needs to be at least respected when considering your bottom line. But I did have to break new ground for some of my gardening space in order to grow the amount of food we needed in the following years.



Remember, you do not need 100 acres to be a homesteader. Many families are growing all of their own food on an acre or less. It is just important to consider the amount of land you have compared to your homestead business goals. It is physically impossible to be a cattle ranch on a single acre and even on 20 acres depending on the pasture quality on your land. On that same 20 acres, you could raise thousands of chickens or have hundreds of blueberry plants. It is all about perspective.

Where is your land in relation to potential customers?

If you live close to town or don't mind doing deliveries, then a fresh product with a short shelf life can be an option. You can sell salad greens or breads to people who visit your property or deliver them to stores and restaurants.

For me, I live 45 minutes from town. There is absolutely a marketable community around me, and I do some agritourism on my homestead. But it's not easy for me or my customers to travel that distance. When I look at products that I am investing a large amount of money into, I look at either shelf stable, frozen, or one-time purchases (like my annual plant sale). This way I do not have to worry about products going back if I don't have enough customers coming through the door. Another option we do, is if we have orders, we will deliver them one time a week to town at a single location where everyone comes to us.

One thing that should be considered when deciding whether you should sell your products on or off the farm is that some states require separate permits for off-farm sales. Check with your local health or agriculture department to inquire about your requirements.

If you do live a distance from your potential market or you do not want people visiting your property, considering selling at a farmer's market or through a another farm store could be an option too.

The term local food means food grown within a limited geographical area.



Time & Abilities Considerations

How much work do you want to put into your crop and/or products?

This is a big question! If you are still working a full-time job, (I'm not even going to say start small) I'm going to say, start reasonably. High-intensity crops like microgreens (on a commercial scale) may be a little much. But maintaining an apple orchard all year and then just having a couple of weeks of intense harvesting and processing in the fall may be a little more attainable.

Amount of Time You Have

While launching your homestead business, you must write down how many hours you have to commit to your homestead business. Some products can be very labor-intensive, even in small settings. On the flip side, with quality fences and good pasture, cattle can be much less labor intensive than a goat milk dairy and soap business.

Your Ability on the Homestead

Some homestead endeavors require a lot of physical labor. Sometimes age, physical or mental health, and season of life can all have an effect on personal abilities. This does not mean you should not pursue your dreams; it means that taking your abilities into consideration when choosing a homestead product is a good idea.



Listen to this podcast episode on
“How I Get It All Done On The Homestead”
for inspiration on involving the whole family.

Picking a product

Consider your land, time, and abilities from above and review the ideas you brainstormed in the last section. Should any of them be reconsidered due to land or ability constraints? Or possibly just tabled until money can be saved, the baby is born, or you find better markets? It can be exciting to dream about all the options for your homestead business, but as you mark potential products off your list, you are getting closer to a homestead business idea that will be a success!

Planning Your Homestead Business

Planning is essential to success...

Choosing a Product

Use the discussion before this to consider the types of products that might be a good fit - which one did you land one?

Write all your research notes here

Planning Your Homestead Business

Planning is essential to success...

Start planning out your business.

1. Consider your land
2. Consider your time & abilities
3. Picking a product

Consider Your Land

How much space do you have?

How far are you from your market or to your customers?

Consider You Time & Abilities

How much time can you spend on your business?

Do you have any limiting abilities in pursuing your homestead business?

Marketing Your Homestead Business

Get Seen...



THE HOMESTEAD EDUCATION

Marketing Your Homestead Business

Get Seen...

This may sound like I am putting the cart before the horse. But I am absolutely not. Before you grow or invest in anything, you have to have a plan for marketing and selling your products. Otherwise, especially products with a short shelf-life, you risk losing product before you get your first customer.

Research Your Market

Know Your Competitors

This always sounds a little sneaky, like I'm a private eye. However, this is how you know what is being sold in your area, what they are charging, and what locals think about their products. Even if they do not sell the same product you are considering selling, there may be information to be gleaned from checking out their website or social media or even stopping by their farm store or booth at the farmers market. If you sell different products, they may even become your ally, giving you tips and sending customers your way.

Marketing In Flooded Markets

Have a target market. You can start planning and marketing early this way, especially in flooded markets. When I think of this, I always think of goat milk soap. I love this type of soap myself and am always a sucker for a unique smelling one. If your passion is one of those flooded products, show people why yours is better. If you have a page on social media for your zucchini farm, spend the season telling people why your heirloom seeds are the best, that you always pick them in early August while they are still tender, and share all your favorite zucchini recipes. Make sure that your potential customers are not only excited about zucchini this year, that they only want to buy zucchini from you.

Identify Your Market

Who is your target market? Know your customers.

Next, you want to decide who your target market is. It's easy to say, people, but the truth of the matter is that the average person is not buying their food from the local farmer (no matter how much we want them to). So, you need to establish what is called an avatar. The ideal customer to purchase your product. You will identify their age range, sex, income level, interests, lifestyle, and anything else that may be of consideration.

An example would be goat milk soap. Your avatar may be an 18-45-year-old woman who may or may not be married or have children, with some disposable income, or who embraces natural products. Women who are planning events, such as bridal showers, have an interest in purchasing larger quantities of soap as gifts.

Marketing Options

With this information, you can decide where or how you would like to market your products. Places, where the soaps can be smelled or seen, can be helpful; marketing on social media would be appropriate for this avatar, or donating some to a fundraising event where many people can see your product and get contact information.

Marketing Ideas

Marketing Avenues

- Social Media
 - Facebook
 - Instagram
 - YouTube
 - Pinterest
 - TikTok
- Product Education
- Samples
- Word of Mouth
- Advertisement
- Presentations to Businesses
- Email Marketing
- Networking

Sales Avenues

- Direct to Consumers
- Farmer's Markets
- Store/Restaurant
- Off-Farm Sales
- Online Sales
- Events

Diversify Your Product

What else can you sell?

Here is an important part of any business. They cost money to start, run, and market. Where does that money come from? What if no one buys your zucchini at peak time? If you have low yields, how will you afford seed for next year?

This is why you need to diversify. Some diversification is easy, like growing two varieties of squash. But I often do sell every step of the process for any product, especially the flooded ones. Sell the saved seeds from your well-known zucchinis, sell plant starts in the spring, sell the “too-big” zucchinis as pig food, and spend the winter selling zucchini bread, dehydrated zucchini chips, canned zucchini salsa, zucchini flour, and makes notes of everything and then sell a zucchini cookbook.

I generally suggest that a homestead has three different products that they produce throughout the year (preferably with three different peak seasons). Then they should sell at least three different byproducts, steps of product, or value-added products throughout the year. This helps the homesteader have a year-round income, often from things they are already doing to reach the final “main” product.

I have a pretty large pig operation. I am not just selling one product from this operation. I am selling feeder piglets, 4-H piglets, roaster weight pigs, full-weight live pigs, full-weight butchered pigs, retail cuts, breeder animals, and even the byproducts from the butcher, like fat for lard. This provides a year-round cash flow to cover feed and maintenance costs and provide an income.

Be flexible

Also, just because you want to sell zucchinis, does not mean that you don't try to sell raspberries from the bush in the side yard, or gather down trees from your empty lot to sell firewood. These additional funds are often all that you need to get started with a larger endeavor.

Have a plan as to where you want to sell your main product. If it is a farmers market, make sure you have your permits, if its strictly through social media, market yourself all the time working in the garden or planting the seeds, if it is to a grocery store that supports local farmers, talk to them early (maybe even before you plant your first seed). The store you talk to may say they have 100 local zucchini farmers, but really need someone who grows onions and they will contract with you right now. Awesome! Grow a plot of onions, continue to market your zucchini, and be on their list for next year. Be flexible to meet demand.



Marketing Your Homestead Business

Get Seen...

How are you going to market?

1. Research
2. Identify Markets
3. Diversify

Research

Make a list of your competitors or similar businesses to yours and ways you want to mimic or be different from them.

How is your product different, better, or complementary to your market?

Identify Markets

Who is your target market? Define your avatar and think how they would best be marketed.

Spend some time looking at each of the marketing and sales options. List some that you want to consider or get more information about.

Marketing Your Homestead Business

Get Seen...

Diversify

List three products that you are interested in producing and selling off your homestead.

Product #1 - List 3 subproducts

Product #2 - List 3 subproducts

Product #3 - List 3 subproducts

What are some things you could be flexible on should the market arise?

Selling Your Products

Diving into what you need in order to sell...



Selling Your Products

Diving into what you need in order to sell...

Selling Legally

First, check into any licenses you may need in your state or providence. To sell at my local farmer's market, I need to reserve a booth and have a state seller's permit, and if I'm selling a cooked product, I'll need a cottage food license.

In many any states, bees need to be registered as an apiary, eggs need to be labeled a certain way, and meat and dairy need permits or exemptions (often from USDA). Be sure to do all your research in advance because sometimes these permits take time to get.

Some locations require a business permit, an establishment of a legal business entity (Sole Proprietorship, LLC, Partnership, or Corporation), or a DBA (Doing Business As). If your state does not require one of these, they are still good to establish for tax and liability reasons. Don't get wrapped up in all the overwhelming requirements. Usually, a simple Google search can point you in the right direction.



Record Keeping

Of course, it would be great if we all had an accounting background, but we don't. So, the next best is simply keeping all of the records that you can for two reasons. One is that you or someone else can make some sense of the final numbers, and also you need to know where to make adjustments and commitments. If all your seeds sprouted, but only half survived the transplant, you know how many you can commit to selling next year. Or you start more in the ground instead of transplanting to be able to commit to more. Or you may find that transplanted plants that survive produce more than those started in the ground because they have a longer growing time. So you start more seeds to transplant to have higher numbers. Everything is a science, and homesteading is a science experiment, so observe, record, adjust variables, rinse, lather, repeat.

What to save?

- Receipts
- Invoices
- Inputs
- Outputs
- Fertilizer/Chemicals used
- Food Safety Testing
- Yields
- Birth Records
- Animal Medical Records
- Land information
- Property taxes
- Maintenance Records
- Utility Bills
- Homeowner's Insurance
- Seed varieties
- Marketing avenues
- Customer Information
- Supplier Information



It would be great to have perfectly organized records throughout the year, but we all know that homesteading is hard and busy. At a minimum, try to have one box or folder where all of the records are stored, write notes on receipts, and date as many things as you can. This will help with your end-of-year taxes and bookkeeping.

Three-Year Plan

I link to give each endeavor three years before fully embracing or abandoning it, as long as it's something you enjoy or believe in. This does not mean going into extreme debt or forcing a product that negatively affects your physical or mental health. The three-year plan is what minimum healthy growth should look like for a homestead product.

1

Year 1

In the first year, you should be able to replace a need within your home. You should be able to grow all the tomatoes you need for fresh eating, and if possible, sell enough additional or byproducts (tomato starts or dried tomato powder) to cover your costs as a new tomato farmer and buy your supplies for next year. Consider any additional money made as a bonus and use a minimum of half of it to upgrade your operation, like buying grow lights.

2

Year 2

In the second year, you should be able to make positive adjustments to match last year, plus have enough additional tomatoes to preserve all that you need for the year and have a noted profit. The reason I say noted is that every operation is different. One acre of tomatoes might pay for your family's food for the year, a well-planned backyard might pay off a credit card, and 10 acres might make your house payment for the year. Additionally, the profit margin for tomatoes can be considerably different than for cut flowers or a compost business.

3

Year 3

By the third year, you should have major kinks worked out and an expected profit from a reliable buyer or market.

As an additional thought, years 3-5 should be expansion or maintenance if you are happy with your business.

This is not to say that you are stuck being a tomato farmer for 3 years if you aren't making a profit or you hate it. My guidance is strictly to give you realistic expectations and a scale to determine your success rate.

Side Notes

If you are considering any perennials that need an establishment time, like an orchard, or adding any animals to your homestead, like bees or quail, do not start comparing yourself to this timeline until your first year of production yields. But don't forget to market those byproducts in the meantime.

If you would like to expedite your profits or establish a year-round income stream, consider using this method for 2-4 products right off the bat. As long as you can handle it physically, mentally, and financially.

Selling Your Products

Diving into what you need in order to sell...

Are you prepared?

1. Selling Legally
2. Record Keeping
3. Three-Year Plan

Selling Legally

What do you need in order to sell legally? Do your research and note them here to check off as you obtain them.

Potential Documents In Order to Sell

Business License
State sales tax permit
Cottage Food Permit
USDA or State Agriculture Department
Apiary Registration
Labeling Restrictions
Small Heard Exemptions
Chemical Applicators License

Record Keeping

What are some records that you need to keep track of and how do you plan to implements this system?

Selling Your Products

Diving into what you need in order to sell...

Three-Year Plan

Use the space below to jot down your 3-year plan. Use the guidelines to help.

Year 1 - Replace a need within your family

Year 2 - Have a noted profit in relation to potential margins

Year 3 - Have consistent profit and excess for upgrading your business

Selling Your Products

Diving into what you need in order to sell...

Three-Year Plan

Use the space below to jot down your 3-year plan. Use the guidelines to help.

Year 1 - Replace a need within your family

Year 2 - Have a noted profit in relation to potential margins

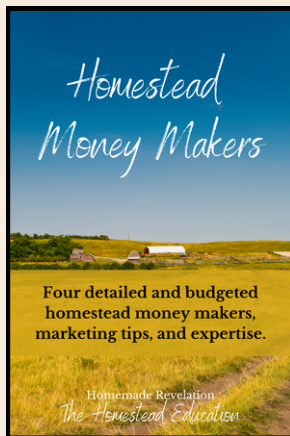
Year 3 - Have consistent profit and excess for upgrading your business

Final Thoughts

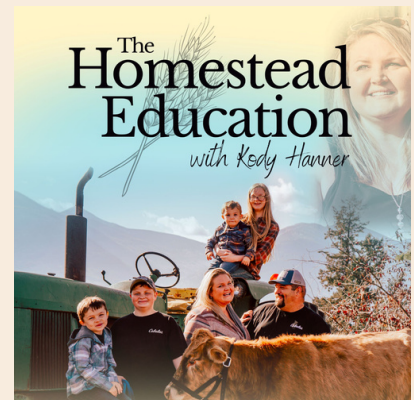
I have faith that you can create an amazing homestead business that will serve you and your community! Just learn your market and adjust until you have a desired product that also makes you happy!

I hope you connect with me! I love to help, answer questions, and give information!

*Keep Growing!
Kody Hanner*



*Four free made for you
homestead business plans*



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