'High' prices instill loyalty, place value on the service

Consultant Joel Lerner says landscapers shouldn’t be afraid to seek a fair return for their efforts.

Some landscape contractors follow detailed formulas to price their work. Some use a time-and-materials approach, or, perhaps, a combination of both.

Joel Lerner, owner of Environmental Design, Chevy Chase, Md., says there's a third pricing method that can yield surprisingly good results. He calls it "get-what-the-market-will-bear." It's more intuitive than scientific, he admits, but it keeps a savvy landscape pro from leaving money on the table.

It's built on his belief that:
- low prices produce no loyalty, and
- a professional should make money on every service he/she provides a client.

You meet with the potential client at the job site and you eyeball the property. Your experience tells you about what the project should cost. But you don’t mention price until the prospect brings up the subject.

"You never mention price until it’s brought up," advised Lerner. "You’re focusing on value at this point, not price. Value is the important thing. The client has to bring up the issue of price."

When you do provide an estimate, you value your services on the high side, at least what you consider is high because you really don’t know what the prospect is planning on spending.

If the prospect thinks the price is too high, you can begin listing the ways the project can be done for less money. Perhaps you can suggest using less mature plant material, or doing the project in phases. There are lots of ways to work it.

Added Lerner, "It's a lot easier to lower a high price than to raise a price that's too low."

Also, negotiation keeps a landscaper from getting that I-could-kick-myself feeling by offering a price that a prospect gobbles up because the prospect had planned on spending a whole lot more.

Lerner says he’s used formulas, time-and-materials, and get-what-the-market-will-bear but he much prefers dealing face-to-face.

"I’d rather be with the client on the job site and get a chance to test the waters," said Lerner. "If you don't at least try to see what you can charge, you’ll never know what you can get."

Lerner thinks landscapers generally are on the low end of the professional pay ladder, taking a back seat to other skilled trades people like electricians, carpenters and plumbers. That's because they don't educate clients of the value of their work.

"I'm going to get a little lower price from some clients and a little higher from others and hopefully it will work out that I get a fair rate," said Lerner.

"If you're landing every job, you're not charging enough," he added.

—Joel Lerner conducted a five-city, "Leaving No Stone Unturned" series of seminars this past February. He made the above comments in Cleveland. To contact Lerner, call him at (301) 495-4747.

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