CORRALLING CUSTOMERS

Landscapers share how they regain clients’ trust and business.

“Follow up and follow through’ is the motto we live by. Clients will always migrate back to such a business model should low-ballers not be able to keep the pace.”

— DONALD SMITH, PRESIDENT OF SANTA ANA, CA-BASED PACIFIC CREST LANDSCAPE

A September online survey conducted by Landscape Management (LM) shows the average landscape company lost 12% of its customers in 2008, and another 9% will gallop away this year.

The LM survey found 20% of landscapers let their customers just trot off. Although one-third win back 25% or more of their lost clients, another 44% of landscapers admit they corral, at most, one of every 20 customers who stray. The average landscape business, theoretically, could need to replace all of its customers every decade or sooner.

Losing customers’ trust and business is a part of doing business. But those losses should be exceptions to the rule — and they need not be permanent. Our survey shows most customer loss is spurred by low-ballers and landscapers overpromising and under-delivering. The flip side of the coin — WOWing customers while competing on value, not price — presents the key to lassoing lost business back beside you.
“We have a ‘Return Customer Discount’ note on our invoices that has helped bring back clients from 10 years earlier.”

— TREVOR GRIFFIN, OWNER OF SULLIVAN, NH-BASED T. GRIFFIN TREE
Rescue opportunities
Losing one of your largest customers to a lower-priced competitor hurts. But if that competitor fails to follow through, it creates quite a rescue opportunity — if you are willing to shelve your ego and shovel an ex-client out of trouble.

Last winter, Elkhart, IN-based NatureScape Services lost a key full-service account when the real-estate developer was wooed away by supposed savings. Before NatureScape lost the account, it received all of the client’s installation and maintenance business at strip malls and residential rental properties, basically without having to bid on the projects, says Mike Knepper, NatureScape’s operations manager. The customer made a price-based switch in landscape service providers, but he soon discovered cheaper isn’t always better.

This February, the former customer called Knepper and asked whether NatureScape could bail him out by providing snow removal at one of his strip malls that the other contractor had not been able to get to on time. The parking lot was a mess. NatureScape’s crews were there that day to scrape it, and applied salt for the next four days to melt the parking lot’s 4-in. base of ice.

“I gave him a break on that bill in the hopes that it would help us win back his business,” Knepper says. “This spring he told me he ‘had learned his lesson’ — that he now realizes our service, support and response times are well worth our slightly higher rates. He asked us to again service all of the jobs he pulled from us last season.

“Unfortunately, in this industry a lot of contractors spend a majority of their time cutting their competitors’ throats instead of putting their efforts and resources into providing stellar service and quality,” Knepper adds. “It was nice to affirm that sometimes ‘the good guys’ actually do win in the end.”

Low-ballers lose
Most of Ryan Lawn & Tree’s lost-and-found customers strayed after competitors dangled lower prices in front of them, notes Mike McGillicuddy, turf manager for the Overland Park, KS-based business. Many returned because they now trust Ryan even more and place more value on its service quality.

Ryan is far from alone. Quite a few landscapers say they also recover business once former clients realize the grass all too often isn’t greener — literally — on the cheaper side of the street.
**Lost & Found**

Following are 10 tips for regaining lost customers’ trust and business. These best practices were shared by members of The Leader’s Edge peer group for landscape professionals:

**DOs**

1. Do tell former clients you appreciate their business, show remorse for failing/losing them, and let them know you are ready to help if questions or problems arise — regardless of who currently manages their landscaping.

2. Do keep former customers on your mailing list — stay top of mind with them.

3. Do remain proactive on warranty issues: This is your chance to stay face-to-face and showcase your professionalism.

4. Do stay warm, open, friendly and accessible — so if they want to return, they won’t feel embarrassed.

5. Do get creative. For example, send flowers to Mrs. Smith with a note that reads, “Mr. Smith won your heart. We want to win back your trust and yard!”

**Many landscapers just have to “cowboy up” — be patient and stand behind their superior service and fair pricing.**

After six years together, a large industrial customer dropped Black Landscape Contracting in Mechanicsburg, PA, opting to go with a national company for a 32% savings. President Greg Black said the national company failed to perform to expectations, and the client returned to Black Landscape within two years.

“We lost a mowing customer we had for five years to a low-baller,” says Peter Schepis, vice president of The Greenwood Group LLC, based in New Melle, MO. “The first month, the client’s lawn was mowed one and one-half times — and they tried to charge him more! We got the customer back with a 10% increase.”

Kevin Peck, a regional manager for Gaithersburg, MD-based Brickman Group, says the company recently lost a longtime customer because of a competitor’s extremely low bid. “Within six months, the former client was all but begging us to come back at the higher price, and apologized for ever questioning what they were getting from us.”

Brad’s Lawn Service in Owensboro, KY, also lost a client to a low-baller but the business returned in short order. “That was more than 20 years ago. The customer’s been with us ever since and won’t accept bids from other landscapers,” says Owner Brad Bell.

“We had a customer leave us who was happy with our services but was offered a lower price and wanted to save money,” says Blake Moore, president of Ferta-Lawn.

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DON'Ts

1. Don’t assume you know the real reasons why your clients left. Ask the decision makers what triggered the moves, and let them know their feedback is helpful.

2. Don’t blame former clients or argue with their feelings or perceptions of your service. Instead, acknowledge their feelings and share their concerns.

3. Don’t try to talk customers out of leaving. Instead, offer to fix any problems and refund their money. They might talk themselves out of leaving. And don’t pester them if they’re not ready to talk: Timing is crucial.

4. Don’t trash former clients’ new landscapers or their do-it-yourself work.

5. Don’t overpromise to win back accounts — that might have been the problem to begin with.


TROUBLEsome FOURSOME

What are the biggest threats to your customer retention?

Customer service
Low-ballers
Employee retention
Recession-made do-it-yourselfers

Source for all infographics: September 2009 Landscape Management online survey with 249 respondents.

THE BOTTOM 10%

10% of landscape companies reported losing a combined average 44% of their customers in 2008.

MOW & BLOW

How does your 2009 maintenance customer retention compare to 2008?

51% The same or better
27% Down 1-5%
12% Down 6-10%
10% Down 11% or more

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COVER STORY

SWEET SERVICE SAVES

What follow are a few examples of landscape service miscues and how the companies righted the situations and regained their clients’ trust:

› **Tree-demption** — A technician with Fullerton Grounds Maintenance in Ledgewood, NJ, applied Sevin instead of Trimec to about 100 trees dotting the landscape of a large condominium community. The company quickly informed the client of the mistake and spent the next week washing, watering, pruning and deep-root feeding the trees. Only two trees were lost; Fullerton replaced them in the fall. The condo community remains a customer.

› **Mulch A Do about Something** — Impact Landscaping in Morgantown, WV, installed 25 cu. yds. of a very acidic mulch at a high profile fitness club and it burned the delicate foliage and perennials in the beds. The landscaper identified the problem with the mulch supplier, and watered the beds daily to dilute the salinity. The company also replaced a few annuals and installed temporary irrigation hoses to keep the plants healthy. Once the situation was diffused and corrected, Impact Landscaping won the full maintenance contract for the property.

› **No Sorry Sod** — Terry Landscaping and Lawn Care in St. Louis installed sod on a yard this spring and even though the homeowner properly watered it, summer weeds quickly overtook the sod. The company replaced the sod free of charge. President Russell Terry told the pleasantly surprised client that if his name was going to be associated with the work, he wanted to be sure it looked professionally done. — MW

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in Bountiful, UT. “Before the end of the year, she returned. She wanted to know if we had a ‘Prodigal Son’ program for those who are sorry for leaving.”

**Corrective action**

No-shows and poor performance also trigger the loss of customer trust and business, but these, too, are reversible.

“I accidentally stood up a prospect who was a referral and, as a result, I didn’t get the job,” says Calvin Craig, owner of Calvin Craig Landscaping in Sacramento, CA. “But after I brought her flowers and told her how embarrassed I was, she hired us.”

When it rains it pours, especially for Daily Rain in Dexter, MI.

“We had a technician miss not one but two scheduled service appointments with the same client two days in a row,” says President Jerry Boquette. “Our... continued on page 16
**WEAKEST LINK**

Most landscapers say their design/build/installation customers are the most likely to cancel services.

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**NOT EASY COME ...  BUT EASY GO**

With annual customer loss averaging more than 10%, a typical landscape company theoretically could need to replace all of this year’s customers within a decade.

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**LAWN RANGERS**

How does your 2009 lawn care customer retention compare to last year?

- 56% The same or better
- 22% Down 1-5%
- 13% Down 6-10%
- 9% Down 11% or more

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**ON THE REBOUND**

27% of landscape companies are predicting their customer retention to increase in 2009.

- 9 percentage points is the average projected climb of these forecasted fortunate few.

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**TIME IS MONEY**

How long does it take you to follow up with lost customers?

- We call the same day they stop service. 43%
- Within one week 25%
- Within one month 8%
- Several months or longer 15%
- We just let them go. 20%

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Source for all infographics: September 2009 Landscape Management online survey with 249 respondents.
COVER STORY

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techn was held up on previous jobs and forgot to warn the client of his delay.
“Eventually, we did make it out on that second day, later that evening, and we did not charge for our $95 service. The customer appreciated the non-charge and is a paying customer, today.”

Mayday’s Lawn and Pest in Winter Park, FL, was calling “mayday, may-day,” after one of its clients canceled services across four properties because of poor performance. CEO Jason May’s make-good included hiring a new landscape crew and personally being on-site for service delivery six weeks straight.

“An employee’s poor work and attitude lost us an account,” says James Van Eenwyk, president of Grandpa’s Nursery & Gardens in Sodus, NY. “We fired him and through communication — an apology and a personal promise to exceed their expectations — we won back the account on a trial basis. We still have them as a client today.”

Craig might have been able to smooth over his faux pas with flowers, but not everyone is as fortunate. Flowers were the problem — not the solution — for James E. Coffey & Son Landscape Contractors in Laconia, NH.

“One customer caught a few of our employees throwing fallen rhododendron flowers at each other for more than a half-hour,” says Owner James Coffey. “The client called me and told the employees to leave the property.”

Coffey says he spoke with his crew and quickly visited the client to apologize face-to-face for his associates’ actions.

“I then put myself on that crew, which was a group of good people who just ‘had a moment,’” Coffey notes. “I stayed on the crew until the customer, whom I had done business with for nine years, again felt comfortable with our crew.”

Frequently, corralling straying customers “brings you both full circle,” concludes Coffey, noting the once-distressed customer relationship healed so well that the client and landscape crew eventually shared “a special moment.”

“A year after ‘the incident,’ while popping in on our same landscape crew at the same residence, I saw the customer throw the first rhododendron flower,” Coffey adds. “We all laughed, and that was that.”

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