



PROFITING FROM DESIGN

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It's time to play "What's My Budget?"

Q How do you get homeowners to tell you what they want to spend on a project without being pushy?

— Amanda Bell, Landscape Designs by Amanda, Red Lion, PA

A One common problem for landscape designers and contractors is trying to find out what a client is budgeting for a particular project. Clients are hesitant to throw out a number, and contractors know that without a budget number, they are flying blind.

The perfect time to have this discussion is at your initial appointment — just after walking the site, discussing ideas, taking notes and reviewing their goals and objectives. This is where it's time to play everybody's least-favorite game: "What's My Budget?"

Although the concept of the game is quite simple, winning is extremely difficult. We ask our potential clients, in various direct and indirect ways, what they are looking to spend. Clients hedge, weave and bob, and do everything they can to protect or hide that information.

If we learn the "magic number," we win, and will most likely get the project. If not, we are destined to waste our time and not get any work.

Why won't they tell us what their budget is? There are two main reasons: fear and hope. Fear that we are going to raise our prices artificially because they told us what they want to spend. Hope in that we are going to propose something that is less than they want to spend, thus getting a deal.

So what do you do?

After you've walked the site and discussed the scope of the work, you should have some idea of the cost of the project. For example, let's say a particular

project is going to come in around \$25,000.

Here's how your conversation should go:

Contractor: *This sounds like a really great project. What would you say your budget is for this phase?*

Homeowner: *Well, we don't know what landscaping costs. Why don't you come up with something, and we'll tell you if it is what we want to spend?*

Contractor: *Let me give you some idea of price ranges. I've done projects similar to this from \$10,000 up to \$75,000, depending on the type of materials we used or the size of the plantings we install.*

Homeowner: *\$75,000? That's a lot of money! The most we want to spend is \$20,000.*

What you have just done is intentionally given the client a low and bare bones budget number, and also made him aware that things can get quite expensive. He never would have thought that this much money could be spent on a project like this, and he surely knows that \$10,000 probably won't go that far. Your prospect will quickly realize that if you were thinking \$75,000, and he was thinking \$15,000 or \$20,000, then this would be quite a mismatch and a waste of everyone's time.

A similar approach provides price ranges. When the prospect tells you, "We don't know what we want to spend," you say something like this:

"Depending on how much work you do, and what materials we choose, we've done similar projects for 10 to 20K, 20 to 30K, 30 to 50K or 50 to 75K. What is the range you are thinking of?"

Your clients will say, "I guess \$20,000 to \$30,000 is what we were thinking."

Quickly follow up with, "Would you say closer to \$20,000 or \$30,000?" They will respond with, "We were really thinking of \$25,000 but could go to \$30,000 if we had to."

The best part of all of this is that you will minimize the amount of time you waste developing designs and proposals, while dramatically increasing your chances of selling the job.

Profiting from Design is a quarterly column from award-winning landscape designer, consultant and former design/build contractor Jody Shilan. Shilan is also the president of the New Jersey Landscape Contractors Association. If you have a question you would like answered in Profiting From Design, please contact Shilan at jshilan@gmail.com.