BEHIND THE

The strategies, trends and challenges of today's holiday lighting business.

BY CHRIS CROWELL

ERE'S THE SCENARIO: Your landscape business is in the Northeast. Winter is approaching. How do you maintain your business until spring? Snow plowing and removal is one solution, but what if it doesn't snow?

Then the light bulb turns on — or light bulb strands, actually. Hundreds of them. Holiday lighting could be the answer.

Snow might not fall every year, but roof-line lights will go up, and it could be an opportunity for landscape contractors, in any region of the country, to make an extra buck or keep a business running during a slow period.

Even in a down economy, people want to celebrate the holiday season.

"We don't anticipate losing customers this year, but they may have restricted their budgets," says Bob Craig, president of Lighting & Landscape Co., Niceville, FL. "I think customers realize the necessity for holiday lighting, especially commercial entities, but they may scale it back, they may do something different."

The customer

Every location is different, and the success of a holiday lights service depends on the built-in client base. The mix between commercial, municipal and residential clients sets the stage, often more than the economy.

The economy plays a role in holiday lighting, but John Trimble, national sales director for Brite Ideas, says the type of customer most ideally targeted by this service should always be in the market in some way.

"It's not recession-proof, but the majority of people who want their places decorated and have the income are looking for high quality products," Trimble says.

"We have seen some commercial accounts go away, and we see some others arise," says Brandon Stephens, director of marketing for Christmas Decor. "A lot of those guys look at it as marketing when they decorate. It's no secret businesses cut back on marketing in a recession, but others come on board as a competitive advantage."

The can be said for residential

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customers. Homeowners with smaller budgets might skip this year, while the larger accounts stay committed.

"We tend to deal with high, uppermiddle class individuals with high levels of disposable income," Trimble says.

Eric Lint, operations manager for Outdoor Environments in Minnesota,

recommends locking in accounts when they are spending on other services. "If you're smart about selling it, you can take the lighting project and wrap it into the turf and have that for the whole year and it's budgeted," he says.

The best example is a large-scale landscape job, one that might include a pond and the installation of accent



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lights in the yard. That client should be asked about adding a holiday lighting service for the winter to complement the big investment they're already making. "The initial cost doesn't seem as much when you're doing a \$800,000 backyard install," Lint says.

The sell

Holiday lights can be a tricky sell, especially because they should be sold in June or July, a time of year when people are thinking baseball and barbecue, not presents and pine trees. A key to the sell, according to Scott Heese, president of Holiday Bright Lights, Omaha, NE, is using photos to show the client the possibilities.

One strategy implemented by Holiday Bright Lights is to use software to show clients how their house will look with a great lighting design package.

"It's really cool to think of your own home being decorated with Christmas lights," he says. So either the landscape company or the customer photographs the house, and using the software, the contractor can spice up the photo with a variety of decorative elements.

Heese recommends supplementing this service with a direct mail campaign that offers 10% off to customers who send in a photo. They get a slight discount; the contractor gets a better sales opportunity. It's also good to show the customer good, better and best scenarios, Heese says.

During the face-to-face part of the sale, unlike a traditional residential landscape job, it is important to have both husband and wife in on the conversation. And, if possible, throw in storage, Lint says. Customers like to save the extra room, and it's a bonus to the contractor.

"Don't charge for storage. We want to store it because we want them to come back and have us put their lights up the following year," Lint says. *continued on page 70*

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He says 70% to 80% of his customers request the storage, especially for garland and wreaths.

Another good way to sell the service is to let the lights speak for themselves. Put signs in the yards of certain jobs. Show customers photos to illustrate unique qualities your service may have as an extra incentive. Outdoor Environments has a signature light-wrapping style that makes it stand out among other designs. "It's a selling point," he says. "They can't get that look from everyone else."

Craig says a big key in the contract is maintenance. Set up an agreeable system for making sure the display looks as it should from setup in October or November to take down in January or February. Lighting & Landscape has a dedicated 24-hour maintenance routine that covers all customers every day. "We drive and look at the lights A company that can offer a unique lighting technique can really make a customer's property stand out.

every night," Craig says. "We make sure

all the lights at commercial properties especially are working properly. We have a continuous coverage of customer lights and greenery and everything, if they wish us to do that — they pay us to do that. Some want a 48-hour or 72hour response."

The challenges

Shifting from the business of yard maintenance into one of electrical work and design clearly has its challenges.



The big dilemma of putting "mowers and plowers up on a roof when its cold and icy out" was too much for Joel Grant, president of Maple Leaf Landscape. He has scaled back his lighting service. "It's too dangerous," he says.

But the challenges have to be stacked against the possibility of employees filing for unemployment for a few months or possibly moving and not returning in *continued on page 72*



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Software that can help take a potential customer's home and allow contractors to show them the lighting possibilities can help make the sale easier. continued from page 70

the spring — requiring new hires and more training. It's a quick way to lose good workers.

The key to lessening the challenges and running a successful holiday lights

service is training, contractors say.

Lint says getting the labor right is the only way to make a holiday lighting service work. "I picked up jobs from companies that have gone under trying to do lighting," he says.

One way to improve the math in holiday lighting labor is to track efficiencies on a computer and review when the season is over and make adjustments, Lint says.

There's also the possibility that after a few years, established customers quit upgrading. "You do well if you sell lights and install them," Zellmer says. "Roughly half the profit is lights and half is labor. If they don't upgrade, then you're only making half of that."

The trends

The biggest evolution in holiday lighting is in the adoption of light-emitting diodes over the old-school incandescent bulb. LED lights are loaded with positives: PHOTO COURTESY: THE LIGHTING CO.

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1. Over the last five years, LED technology has improved and become a more reliable form of lighting. LEDs are available in more colors and provide more versatility in displays.

These advancements improved the little things, like providing several variations of white, the most popular lighting color. The advancements also improved bigger issues, like the amount of outlets and power needed for displays. "If it was a large project, an electrician would come in for more plugs," Stephens says. "LED offers the contractor more flexibility. Jobs that used to take five or six power sources can run on one or two, now."

This then leads to better and more impactful displays.

2. LEDs are much more energy efficient. They typically consume 90% less energy than incandescent lights.

In turn, LEDs last longer. Buy an LED display, and there will be little to

replace for years. "They last 10 times longer than incandescent products," Trimble says.

The only problem? LEDs can be pricey. Sticker shock sometimes has a bigger effect on customers than the promise of overall cost savings and efficiency.

Darryl Zellmer, president of Turf and Tree Worx in Wisconsin, says he's "not seeing the LED trend" take shape with his company because customers are avoiding the high cost.

Craig says its on the contractor to relay the benefits of LED and change their thinking without being pushy. "More and more customers are becoming aware of the positives," he says. "They look at the initial investment and say, 'Oh!' But then they look at a power bill and see how much it's reduced, so it's a trade off."

Trimble says multi-color lights had a huge jump in sales last year. "We had a

massive spike in color orders last year," he explains. "Combinations of red, green, blue and amber. A huge spike like that we haven't seen in five years."

The trend isn't leaving white or clear lights behind, but Stephens says it's subtly having every fourth bulb be a different color, or doing bushes a different color, but leaving the house white.

"We're also seeing a lot more greenery and day time décor," Stephens adds. Greenery in bows, a lot of requests for adding the berries and pine cones into the greenery for a more realistic, traditional look."

"Our clients," Heese says, "don't want just a string of lights across their gutters. They want gift boxes, toy soldiers, icicles, candy canes, glacier lights — all pure white LED that fades to blue LED on a cycle."

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