## greenPROFIT

## **Profit**

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## "I Have to Have It"

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"My husband will kill me, but I have to have it." The customer selected the most expensive Christmas tree offered by Green Haven Garden Center (Hamilton, New Jersey). Owner Carol Thomas knew she had to stock Fraser Firs because people expected them. Everyone from garden centers to big boxes were selling Fraser. Carol had always sold only Grade 1 Premium Fraser Fir trees from Pate's Tree Farm (Jefferson, North Carolina). Frasers hold their needles.

The discerning shopper saw Carol's trees were superb specimens. Carol's hungry competitors necessitated she offer additional options for her customers, so she also stocked the more expensive Blue Alpine Fir from Hillview Christmas Tree Farm (Middleburg, Pennsylvania). They look elegant next to the Frasers. Carol was asking \$75 for a 7-ft. Fraser and \$100 for a similarly sized Blue Alpine. As intended, this customer instantly saw the

difference. Despite cost—and her husband—she saw the value and made the investment.

Carol had employees who were chagrined when she brought in these more expensive trees. "Our customers can't afford to pay that much." How many garden center buyers/owners have heard similar sales team wailings? What the team's actually saying is, "I can't afford it, so how can anyone else?" Even worse: "I don't see the value and neither will the customer."

The best rule of pricing is: When the customer doesn't know the value, the price is always too high. Carol's customer immediately saw the difference between the two trees and valued the Blue Alpine's distinctive look over the \$25 higher price. That doesn't mean every customer will appreciate the difference/price ratio.

Each customer has a unique value-set and budget, which change daily depending on circumstances. The customer who just learned her child needs braces may have a lower economic outlook than the customer who just got a raise. Many will vacillate in their price/value thinking. Never pre-determine any customer's mindset because she'll shift her position when you least expect it. Help customers make decisions that will create the highest success in their lives. Their budgets aren't our business.

Price is the easiest way for customers to deflect the sales person. If Carol's Christmas tree customer had said, "That's too expensive," the sales person might ask, "Expensive compared to other trees as distinct as this one or expensive as in 'all trees have been increasing in price?"

If all customers made rational decisions, there wouldn't be any designer jeans. Customers must understand the value when seeking rational justification for an emotional decision. What's most critical is making sure salespeople aren't selling to their own wallets. When someone on your team says, "That's too expensive," they're applying their values to your customers. While we don't all have the same income/resources, we tend to ascribe our values/spending patterns onto others. We don't know the customer's situation. Let's recognize our roles in this transaction.

Turning to green goods, a customer may comment that an independent garden center's plant prices are too high. The salesperson could answer, "Have you experienced the quality of our plants?" Depending on the facts, the follow-up statement might be, "Many repeat customers tell us our plants grow more abundantly and last longer than plants bought elsewhere. That's partly because we take more care growing in our localized climate. And we make certain the soil around the plant at delivery is healthy. We do everything possible so the plant will be a survivor." These statements give the customer a rational basis when making the decision to buy from you.

Customers often say, "Gardening is my therapy." Many studies have found gardening reduces blood pressure, lowers stress and increases feelings of well-being in a large segment of the population. We wouldn't criticize customers who spent \$100 on a therapy session, so don't judge how your customer spends money.

Let's just give our customers the information they need to make their buying decisions. Leave the judgments to Judge Judy. **GP** 

Bill would love to hear from you with questions, comments or ideas for future columns. Please contact him at wmccurry@mccurryassoc.com or (609) 688-1169.