Fall Profit Boosters



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Fall can be the most important time of year for your landscape or lawn service company. That's the time of the year when many of you have covered (or should have covered) most of your expenses. It's the season to drive year-end revenue. It's also a great time for you to establish stronger relationships with your customers and begin prospecting for new clients.

Fall offers great seasonal revenue opportunities — that is if you have the energy, expertise and manpower to perform them at a customer-pleasing level. If you do, it's not unreasonable to expect more clients and a busier spring.

"It's all hands on deck and mandatory Saturdays for September and October," says Matthew Noon, founder and president of Noon Turf Care, Hudson, Massachusetts. The region's cold wet spring put the company about 10 days behind, and it's been hustling to catch up ever since, he reports.

The company's fall drive even has a name: Fall Ahead, Not Behind.

It won't be all work though. To keep his team's morale up, one Saturday each of the two months will be just a half-day. Employees can also look forward to a wiffle ball tournament and company barbeque with beer and the works.

"As always, client retention has been a big focus," says Noon, who along with his brother, Christopher, CEO, runs one of the fast-growing independent lawn care companies in the United States. Their company grew 206 percent the past three years and took on 40 new employees. Noon Turf Care serves the west Boston market.

"We just created a big client retention strategy for the final quarter," adds Noon. The strategy focuses on over-communicating and educating clients, but especially first-year clients. "It is more of an emphasis on getting every team member — whether they're in sales, service or field specialists — to acknowledge first-year clients to make sure that they're well aware of the time it takes their lawns to 'settle into our turf program'," he says. This includes letting new customers know that the company offers free service calls to them the first year of service, he adds.

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Bruce Allentuck, founder and president of Allentuck Landscape Landscaping Co., Bethesda, Md., agrees that fall is a great time to strengthen bonds with customers.

"Good things happen when we get to know our customers better," says Allentuck. "Sales occur naturally and problems seem to go away." Allentuck, who founded his firm in 1986, says he and his team look for ways to make it easier for customers to work with his firm. He describes it as "breaking down barriers to make it easer to buy from us. I like 'simple'."

Adds Adam N. Linnemann, Linnemann Lawn Care, Columbia, Ill.: "To finish (the year) strong, we're really trying to stay out in front of our customers." That includes offering incentives for clients to provide referrals.

"The same goes for our team member referral program," says Linnemann, whose primary market is on the Illinois side of the St. Louis, Mo., market. "We want our referrals to snowball and have a multiplying effect."

Linnemann is not content to rely solely upon referrals to drive customer growth. He says his company remains active in its community, passing out quart-sized plants, coolie cups and candy to spectators during a recent parade. It's also planning to be very visible in the region's Fall Festival.

To boost revenue yet this fall, he's following up late July mailers from his company to remind non-responding customers of his firm's lawn aeration and overseeding services. He says the calls resulted in 30 to 40 positive responses by late August.

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"Follow up. Follow up." says an obviously optimistic Linnemann.

Given the choice, who wouldn't rather approach autumn with enthusiasm and optimism rather than with anxiety? Is it finally dawning on you that the end of the season is fast approaching and you aren't sure if you have enough money set aside to buy the new truck or the new more efficient mowers that you so desperately need?

Obviously, you don't want to enter the last quarter of the year wondering if you can mow enough lawns to carry you through the winter months and get your company off to a strong start when the grass starts growing again next spring.

The solution to your dilemma might be right in front of your eyes - adding

seasonal services, many of which will provide better profit margins than mowing. Sure, it's pretty late in the season to shift gears. But, if the choice is between that and entering the winter financially wounded ... well.

For that reason, if you're just mowing and not pushing enhancements and related services, you're leaving thousands of dollars on the table for your competitors to scoop up and deposit in their bank accounts. Don't make that mistake any longer.

Finish by Planning for a Better Season

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By most accounts, the landscape and lawn service companies we've been talking with had a pretty good 2013. So why not begin planning for a better season next year?

Why not, indeed, says Jacob Grimm, founder and owner of Brothers Grimm Landscape & Design Co., Clinton, Ohio?

"We are growing," says Grimm. "We laid out a plan for growth that will double the company in five years. We are looking to hire a new foreman as well as our first full-time time management person in the form of an account manager."

Grimm says many of the custom builders his firm works for are busy again, and their clients need someone they can trust.

"Out of the gates we are planning to add at least one grounds maintenance crew and possibly another install team. While we don't know what the future will bring, that isn't stopping us from having a plan," he adds.

Tom Heaviland, founder and president of Heaviland Enterprises, Vista, California, says his firm experienced "some nice growth the past two years." He wants to keep momentum, the reason why his firm is installing a new operating software system.

"This system will improve our real-time reporting capability, provide a much needed CRM component and improve timeliness of enhancement estimates," he reports.

"2013 was a year we committed to investing more in the training of our production crews — particularly irrigation training and development. We want to continue that commitment (next year)," he adds.

Fall offers great opportunities to sell additional services to your existing clients. Remember, you already have a relationship with them. They must like what you're doing for them because they regularly write checks to you. You've done the hard part of building a relationship; you've established trust with them.

Also, why wait until spring to start knocking on doors to bring in more revenue and build your customer base? You probably have the expertise and equipment to meet their specific fall landscape needs, such as offering property cleanups.

Look beyond mowing

Other add-on services that companies like yours have found profitable to build revenue heading into the winter (and sometimes during the winter) include power seeding, aeration, leaf clean up, fall trimming and landscaping, mulching, winterizing irrigation systems, fall fertilizing, lime applications, landscape lighting (including holiday lighting) and snow & ice management.

Offering these additional services may take you out of your comfort zone, especially if you've primarily counted on mowing to keep your operation going. However, if you take the time to educate yourself on these services you will learn why contractors provide them. If they're marketed and sold with enthusiasm, and you have the labor and talent to provide them, they can be very profitable.

Obviously, you don't have to try to do all of these. That would be crazy. For starters, pick the service or two that you feel you would be comfortable providing and that your existing customers would be most receptive to. Pretty soon your mowing season is going to slow down, so you're going to have some time to try a new service or two. Fortunately, most of the services mentioned in this article fit very nicely into this slower time of the year.

Confidence and available funds (money) are two things that normally hold a business owner back from adding on these additional services. Keep reading as we'll address both challenges.

Let's start with confidence. It's easier for many us to stand back and say we cannot do something rather than jumping in and getting it done. To do something — in this case, learn about and provide new services — requires training, education and in some cases licensing. After all, that's what being professional and providing professional services is all about, right? Obviously that's your goal as you are reading this article.

As for the second challenge, having the money to start a new service, that will be addressed as you read about the possible services you can begin offering. Let's take a look at these individual services.

Leaf cleanup can keep you (or some of your employees) busy until the leaves have completely fallen. Charge extra for this service. Leaf removal is timeconsuming and hard on your equipment. One of the more common (and not very good) ways of charging for leaf removal services it to take mowing cost multiplied by two. That's a guess. Don't guess. Charge for it like you charge for any other related service, by calculating the labor hours needed to perform the service. The amount of time and effort needed to collect and remove leaves varies from property to property and can literally change from day to day. ×

<u>Click image to enlarge.</u>

Don't guess when it comes to pricing your leaf removal. Price it based on the amount of time and labor each job requires. The time may vary considerably from property to property. Photo Courtesy: Pacific Landscape Management.

Power seeding and lawn renovations of cool-season turfgrasses are muchappreciated services that are best performed in late summer and early fall. Summer heat and drought may have taken a toll on many of the lawns that you've been cutting. Thin, struggling lawns need your help. Often they can be brought back to health with a robust overseeding with improved turfgrasses.

Overseed lawns in two directions to make a good stand of new grass. This helps the grass to fill in much faster. It's often a good practice to overseed following aeration. In some cases, a complete lawn renovation might be the wiser choice. In either case, you're going to need property owners' cooperation because the new seed is going to require almost daily watering to get it established before winter sets in.

Lawn aeration allows water, air and fertilizer to enter the rootzone more efficiently. This helps support a healthier and more weed-free lawn. The best time to aerate cool-season lawns is late summer and well into the fall. Generally, it's best to aerate a lawn prior to applying fall fertilizer to it.

Mulching is an excellent service to provide to landscape beds in the fall. A fresh layer of mulch enhances the curb appeal of the property, and it also helps protect the landscape plants through the long, cold winter.

Plantings can and should continue through late summer and into the fall. Autumn is an excellent time to add small trees and ornamentals or to plant bulbs. Many of your clients will greatly appreciate the spring color. It doesn't necessarily have to be large installations. While you're on the property, you might also suggest some additional trimming for those plants that require pruning heading into the winter.

Fertilizing and lawn applications is a fall money-maker. Perhaps you've stayed away from this service because, perhaps, you lacked the confidence to do it correctly. Consequently, you haven't made the effort or taken the time to become a licensed applicator. Obviously, it's too late in the season to add it to your services now.

Training, licensing and insurance are required in most states. Study lawn care and get your applicator's license for 2013. Consider how many of your existing customers are having someone else do this for them right now. Get in a position to begin selling this service prior to the start of the season.

Irrigation winterizing & service can be a lucrative service offering. There's more to it than simply blowing out irrigation lines so get professional

training before offering the service. Fortunately for you, many irrigation suppliers offer free training to educate you on the process. Usually the training is offered over the winter months. Take advantage of it.

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Snow and Ice Management is another off-season service that can be very profitable. You don't have to be a large operation to offer it, but you definitely need to understand the risks and protect yourself by obtaining the necessary equipment, training and insurance. Again, you can be a small company and generate revenue and profit during the winter months if you can price and perform the service reliably and safely.

You can afford it

Perhaps these extra services sound great to you, but you don't have the money for the equipment to offer them. The nice thing about most of these services is that you already have the most expensive piece of the puzzle, the truck.

Power seeders, lawn aerators equipment, lawn vacuums and blowers can all be rented. This gives you the opportunity to provide into a service without the costs of ownership for the equipment.

When you decide it makes sense for you to offer these services on a larger scale you can add the new equipment cost into your next year's budget. (You do make a budget, don't you?)

Most of the equipment required to offer any of the above services is affordable when you look at the cost of ownership compared to the return on investment, assuming you have the labor and can make the numbers work. Even a small service is likely to pay for the cost of the equipment in one year with a little hard work and determination.

The addition of a new service or two this fall will not only help you finish strong this year, but will also help you to continue growing your business. It will also increase your cash flow during slower times of the year, boost your profits and help your retain good employees. But the most important reason (and maybe the most obvious) it can increase customer loyalty.

Let your clients buy from you and not your competition.