

# MARKETING ARBORICULTURAL SERVICES<sup>1</sup>

by John Ball <sup>2</sup>

Tree care has become more of a science and less of an art during the last two decades. We no longer look at trees as extensions of ourselves, dressing wounds when they are cut or feeding them when we think they are hungry. Yes, our industry has become highly technical, but do not lose sight of the fact that our business is really 20 percent tree care and 80 percent marketing. Many people believe that if they know enough about trees their business can thrive. Nothing is further from the truth. The old adage, "build a better mouse trap and the world will beat a path to your door" ignores two important points. How does the world know you have a mouse trap and how do they know it's better?

We are in a care profession. We compete in a service, not a product economy. Services are intangibles. The consumer can not touch the "product" before the purchase and in some cases can only sense it afterwards. For services, a purchase is really an act of faith. Two or three companies can not come out and trim the same tree then have the consumer decide which job was best for the price. Even if this were possible, many consumers do not know how to judge the technical quality of the service. They assume all pruning is the same among companies and the only important variable is price. And far too often this is the marketing strategy of the arborist; how can I lower the price, rather than how do I demonstrate that my service is worth more?

The type of service influences the choice of marketing strategies and tactics. What may be appropriate for one type of service may not be for another. You would not expect a funeral home and a medical clinic to have the same types of promotions, for example. There are many different

ways to classify services. One method is based on the investment needed to provide the service (4). The investment includes training as well as the cost of equipment. Using this approach our industry can be divided into three service types; removal, pruning and health care. As you progress from a removal to a care service, the investment increases. Knowledge about trees becomes more essential in a health care service. Equipment needs become more sophisticated. Removal companies often use bucket trucks and chippers. Care companies need these plus sprayers, soil injectors and an array of other pest management and diagnostic equipment. Different marketing strategies become necessary as a company expands from removals to the other types of services.

**Removal services.** Most companies begin as tree removal services. The investment is minimal, just a pick-up truck, chain saws and ropes. You do not need to know much about trees, not even how to identify them.

The consumer does not care what it is, just how much will it cost to take it down and when can you do it. Many managers of removal services complain that they can not make enough, can not pay their crews what they are worth, can not afford to update their equipment and they are right. Why? The smaller the removal the more apparent this problem becomes. Removing a 25 foot tall green ash that can be dropped easily in three directions does not require more skills or equipment than the average homeowner possesses. Even a 50 foot tree that is not over any obstacles, but has to be pieced, can be done by people with limited arboricultural experience and a minimal amount of equipment. Hence the number of people capable

1. Presented at the fall conference of the Minnesota Society of Arboriculture in Fargo, North Dakota in September 1991.

2. Presently Assistant Professor of Arboriculture, Department of Horticulture, Forestry, Landscape and Parks, South Dakota State University, Brookings, SD 57007.

of doing small removals is high and that limits the prices that can be charged. In the removal business the marketing strategy is being the cheapest and the quickest. Consumers do not see quality as an issue. They expect the tree to be removed without damaging the property and to have a good clean-up regardless of the price. There is one exception, large, hazardous removals. Hazardous trees require a highly skilled crew and specialized equipment. Even lay people can recognize that removing these trees will be difficult and to protect their homes and property, perhaps price should not be the only factor of whom to hire.

**Pruning services.** Regardless of the size of tree removed, being a tree mortician is not generally the best marketing approach. It is better to be a care provider, where the tree becomes the patient rather than a nuisance. The second type of arboricultural service is tree pruning. Many companies naturally expand into this after they have been doing removals. Sometimes pruning starts as topping or customer directed work. This often pays less than removal because the consumer can see that topping does not require any knowledge about trees! It's just "How much off the top?" Performing class I and II pruning (2) is where you start becoming a tree care provider and care providers need a different marketing strategy, not one focused on price. Earlier I mentioned that a characteristic of the service market is intangibility, another characteristic is inseparability. You can not separate yourself from the service. To the consumer the salesperson represents the quality of the service. This is an important concept in selling services where quality is an issue. A tree care salesperson, the arborist, through formal training and/or experience, must be competent in tree identification, physiology, pest management and a host of other arboricultural skills because the consumer equates knowledge with quality. When meeting homeowners on a pruning appointment, I always explain what I am going to prune and why. I do not mean a branch by branch description, but a general discussion on the pruning needs of that particular species. Occasionally homeowners remark they are going to get several bids and then decide with whom to contract. I always reply, "Good idea, you do not purchase this type of service every day, but remember price

should not be the primary issue with tree care. The care should match the individual needs of this tree and, by the way, the tree we are discussing is a black maple. Why not ask the other bidders if they know what it is?" You would be amazed how many times I later get the job with this simple statement. Unfortunately, some arborists do not know their trees beyond the simple maple, oak and "pine" ( a generic term for all evergreen trees in the upper Midwest and Northeast). You can make more money pruning a tree than removing or topping it because the consumer is going to select a company based on the arborist's knowledge and the price. Arborists that offer low prices, but do not know how they should prune trees, why they are pruning them, or even what they are pruning are probably not going to get much business, even if their crews do superior work. Again, the reason is inseparability. The consumer assumes that the quality of the arborist's presentation matches the quality of the "product".

**Tree Health Care.** A third type of arboricultural service is tree health care. Care treatments such as fertilizing, aerating, mulching, and pest management are used to maintain the vitality and appearance of the patient. In this type of service the marketing strategy is to make tangible what otherwise appears intangible and to link benefits to purchases (1). For example, providing handouts that explain what will be done to their tree and why, gives the customers something tangible with the service. Benefits are often stated monetarily. Some companies use tree valuations to assign a "net worth" to a client's landscape. Knowing the oak in the front yard is appraised at \$2000 is a good incentive to invest in caring for it.

Price becomes even less of an issue in tree health care services. When finding an arborist to care for their trees consumers are looking for competence more than price. It does not make economic sense to spend \$200 with arborist A and lose the tree rather than \$500 with arborist B and have the tree thrive. Surprisingly, having a higher price than your competition can actually be an advantage in the tree health care market. Companies charging more are often judged to be providing a higher quality service.

I went through this explanation about types of arboricultural services for two reasons. First, to

explain the expansion of opportunities and profitability as a company moves from removals to care, and second, to underscore the most important rule of marketing - your best customer is your current customer. One of the biggest marketing mistakes is focusing on getting new customers, the key to business success is expanding opportunities to serve your existing customers, to turn one time customers into long term clients. Since your current customers already know and like your company they offer the lowest risk and greatest chance of success with new services.

**Advertising.** Oftentimes a company needs to expand its market as well as develop more services for the existing clients. How do you attract new customers? First, you need to be introduced (I have a mouse trap) then, you have to win their confidence (and it is better than anyone else's). The introduction is where promotion comes in. I divide promotion into two categories, advertising aimed at attracting new customers or expanding services to existing clients and public relations to enhance the business image. The common forms of advertisements used by arborists are yellow pages, direct mail or flyers, newspaper, radio and newsletters. Most tree companies develop a yearly advertising budget, then spend it without ever following up on the effectiveness. Imagine buying a new saw and never comparing it to the ones you have been using. Watch your advertising dollars as hard as you do any other business expense. Ask each caller how they heard about your company. Then at the end of the year trace each of your jobs back to the original call and calculate the dollar volume each form of advertising generates and for which types of service. The results might surprise you.

The largest, and sometimes only, item in a tree company's advertising budget is yellow page advertising. Too many companies spend too much money on this item. We forget that the yellow pages are a directory service. People do not use the yellow pages to find a tree health care program, they generally use it to find someone to remove a tree and are often shopping for price. Track your calls and see if this statement is true for your company. At one company I found that yellow page advertising generated the most calls, but

produced the fewest sales and most of those were for removals. If you are in the removal business and have the lowest prices in town by all means take out the largest yellow page ad under the tree service classification. But if you are primarily involved in tree care services consider taking out only an alphabetical listing and spend your advertising dollars elsewhere,

Another common form of advertising is direct mail or flyers delivered door-to-door. These may be targeted to certain neighborhoods or sent to everyone throughout a service area. Advantages are that they can reach everyone at a fairly low cost and can highlight special sales and events. The disadvantages are that they are often regarded as "junk" mail and usually attract the bargain hunter. They generally are useful only for removal or pruning services, and only if you want to discount your work. I once heard a marketing expert tell an arborist group this was the best way to advertise (3). The reason, if someone had dropped a note in his door offering a discount, he would have had his trees pruned sooner! Unless you have figured out a way to cut cost, discounting is not usually a profitable marketing strategy.

Newspaper ads are sometimes used by tree companies, but not very effectively. Good ads are difficult to create. Most people do not see the majority of ads in the newspaper and the words that attract best are the ones I do not like to use, "sale" or "save X%." Again, as with yellow pages and direct mail or flyers, this approach only attracts removals or discount pruning work. A more profitable use of newspaper advertisements is to alert consumers to the need to perform periodic inspections, really a check-up for their trees. An excellent example is reminding consumers to call to have their birch inspected for borers before they notice dieback. The focus of the message is to call now, not save dollars.

Radio is not a very common means of advertising for tree services. It does have a place, similar to newspapers, in alerting people to needs rather than sales. Radio reaches a wide group, almost every home has a radio, many have several. But more important, almost every car has a radio, and on the way to work peoples are listening. The most critical thing to remember about radio advertising

is while almost everyone listens to the radio, most do not listen to it all day. Concentrate your air time during the morning drive and only a couple of spots a week. It will cost more than later in the day, but you will reach far more people. Which radio station do I use? Unlike newspapers, which generally are one per town, there are probably several to dozens of radio stations that accept advertising. For your advertisement, the one to use is the one that fits the profile of your best customers - the ones involved in tree care.

**Reaching existing clients.** The forms we have discussed are generally used to promote services to new customers; the next one is the best way to reach your existing clients. A properly written and produced newsletter is your best advertising buy. It can educate clients on the need for better care of their trees and it can foster a sense of company loyalty. However, it can not do anything if no one reads it! If you do not know how to write copy or do layouts, hire someone who can. After all, you expect people to hire your services because you are the expert in tree care. Follow your own advise. Get a professional. A good mix of copy should be promotion, what people should be thinking about now; image enhancement, why people should be hiring you; and fun features, interesting little bits of information about trees. And by the way, do not go cheap on the paper, remember this is your most important advertising buy.

Creating an image and promoting the business, rather than particular services, is an important part of marketing. Work at becoming the tree expert in your community. Nothing defines you as the expert more than being in the local paper or on-the-air on a regular basis. If you can not work out a garden column or show, definitely make yourself known to the various news department. All news departments like to have a local expert to add insight to regional or national stories. Make sure you are the person. Let them know who you are and what your background is and when they do call get back fast, deadlines are important.

Another very important means of becoming the local tree expert is public speaking. This is an excellent way of building your professional image in the community. Take the time to speak to garden clubs and social or business organizations on tree

care topics. The people in charge of finding speakers are always in need, they will welcome another volunteer. Also do not overlook offering some community education classes on tree care. Community education coordinators will be happy to help set up a class. I have had some arborists express concern that they are afraid that their competition may attend and learn their "secrets." This is not a problem. You can always use good competition, it raises the expectations of consumers in your market. The best and most successful companies I know of even conduct seminars for their competition. Good work is a reflection on all of us.

I would like to add one last comment on education. We all would like to be treated like professionals and be compensated for the full value of our skill and knowledge. But do we deserve it? One of the biggest problems I see in our industry today is our treatment of the generic tree. Would you trust a veterinarian who treated all animals from cats to cattle as though they were the same or treated all patients the same regardless of their age? But we do! We treat all tree species as "a tree," providing the same recommendations and timing of treatments. But all trees are not the same and the best care providers will take into consideration these differences.

If you want to increase your profits in our business, develop care services, expand those services to existing clients and reach out to new costumers through a highly focused advertising program. And, most important, have respect for both your patients and your clients. Do not just tell clients you are the best, be the best, it will show.

### Literature Cited

1. Levitt, T. 1981. *Intangible products and product intangibles*. Harvard Business Review 59(3): 94-107.
2. National Arborist Association. 1987. National Arborist Standards. Amherst, New Hampshire.
3. Skinner, R.W. 1987. *Marketing tree care*. J. Arboric. 13:159-163.
4. Thomas, D.R.E. 1978. *Strategy is different in services business*. Harvard Business Review 56(4): 158-165.

*Manager*  
*Arrowhead Tree Service*  
*Duluth, Minnesota 55805*