

MARKETING TREE CARE¹

by Richard W. Skinner

Abstract. The purpose of this paper is to introduce the basic concepts of marketing. Specific attention is given to the application of these concepts to the marketing of tree care.

We enjoy a standard of living in this country that would have been inconceivable to our ancestors. The marketing system in this country has made all this possible.

What is Marketing? Most people, including many in management, mistakenly identify marketing solely with advertising and selling. In reality, marketing includes research, need assessment, product/service development, pricing, and distribution, in addition to all forms of promotion such as advertising, sales promotion, publicity and personal selling. A product or service that fits the consumer well obviously sells itself. A definition of marketing that I prefer is, "Marketing is the anticipation, management and satisfaction of human wants through the exchange process." The most fundamental concept underlying marketing is that of human "need." A human need is the feeling of a state of self deprivation. We express this state as a "want". These wants are shaped by one's culture as well as an individual's personality. These wants become demands for products or services when there is money or purchasing power. With this background let's look more specifically at tree care marketing.

The marketing of tree care involves the marketing of services. Services have unique characteristics that must be considered when designing a marketing program. First of all, services are intangible. They cannot be seen, tasted, felt, heard or smelt by the customer. Second, services are inseparable. A service cannot exist separately from its provider—in other words, a service requires the presence of the service provider, whether it be a tree surgeon or a medical surgeon. Third, services are highly variable because of the human factor. This makes quality control very difficult, which in turn may result in

mistreatment of some consumers from time to time. Finally, services are highly perishable, they cannot be stored. Seats on an airplane unsold at time of departure can never be sold. These unique characteristics of services partially explain why service firms have neglected marketing. Also, many service businesses are small and do not use management techniques, such as marketing, which they think would be expensive. Some service businesses, such as lawyers, accountants, or the medical field, have traditionally believed it is unprofessional to use marketing. Other services, such as hospitals, and universities have, until recently, had such a demand that there was no need for marketing. This has changed rather dramatically in the last two to three years.

The Four P's of Marketing

When developing a marketing plan or a marketing strategy, the decisions can be categorized into four areas commonly referred to as the marketing mix as illustrated in Figure 1. These four decision areas are sometimes referred to as the four "P's" of marketing. They are: 1) product decisions, 2) pricing decisions, 3) promotion decisions, and 4) place decisions or distribution decisions. All of these decisions are made with the target customer in mind, whether this be an industrial or organizational buyer or a household consumer. As Figure 1 illustrates, there are several uncontrollable factors that one must consider when designing or developing a marketing plan. These are: 1) the competitive environment, 2) the economic or technological environment, 3) the political and legal environment, 4) the cultural and social environment and finally, 5) the resources and objectives of the firm. These five areas significantly influence any marketing plan, however, just because they are beyond the control of the marketing decision maker does not mean they must not be considered.

Let's look more specifically at the 4 "P's" of

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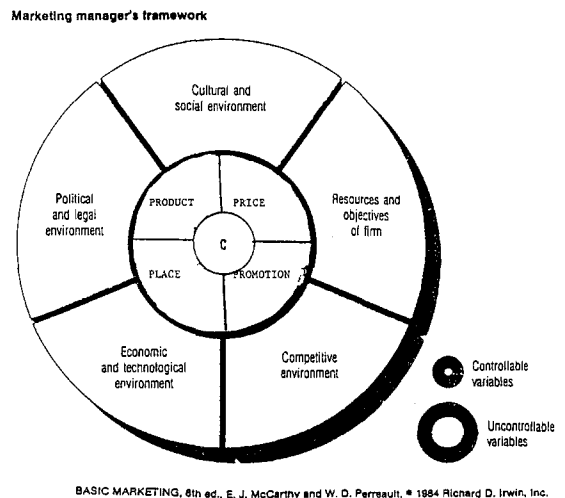
marketing as they might apply to tree care marketing.

Product/Service. The first **P** of the marketing mix is product/service. The number of different services that you as a marketing tree company provide is a management decision. Of course, the product or service can take on many different forms. Some of these are the extent to which you provide credit, the extent to which you provide twenty-four hour, or emergency service, etc. There are a number of intangibles that make up the total product. Some of these would be, the extent to which you clean up after removing a tree, the extent to which you warn neighbors or the owner of potential dangers of pesticides when spraying, etc. The ways that you and your employees present yourselves and your trucks to the public are viewed as part of the product or service which you provide. As you review the products or services that you do provide, think of them as the consumer might view them. Would you be satisfied? The customer hopefully is buying satisfaction which is want fulfillment. In other words, if your product or total offering to the consumer does not yield satisfaction to that consumer, your product is not complete.

Price. The second **P** of the marketing mix is price—clearly important to all present and potential customers. As you develop your price many factors influence the decision. Cost considerations provide a base by which you cannot price below. Competition or the market will establish a level by which you do not dare price above. Thus, there is a relevant range in which management must make a decision with regard to pricing. (See Figure 2) As you are well aware, there are those companies that aim to have the lowest possible prices. Yet other companies have been successful by not having the lowest price, but by stressing quality. The relative importance of price will vary from consumer to consumer. There are some consumers who would desire to have the lowest price, but there are some consumers more concerned with the overall job—perhaps a guarantee that the work will be done right and safely. Chem Lawn determined from marketing research several years ago, that when consumers buy lawn service, a guarantee is extremely impro-

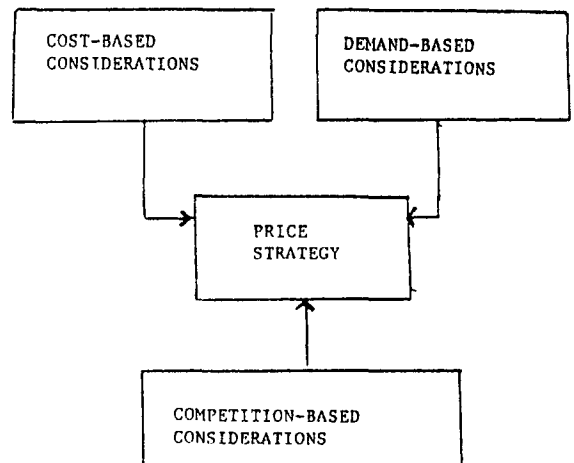
tant to the consumer. How many of you guarantee your product? The guarantee is obviously part of the product and is considered part of price in the consumers mind. Do you, in fact, guarantee satisfaction, and if so, is that visibly and frequently communicated to the consumer?

Place. The third **P** of the marketing mix is place or distribution. For many service establishments there are three essential ingredients for success—location, location and location. This probably is not as important in the tree care business



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Figure 1. Marketing manager's framework



Marketing, 2/e by J. Evanš and B. Berman. Copyright © 1985, Macmillan Publishing Company.

Figure 2. Pricing strategy

as in many other types of service establishments, however, a good location that is highly visible is the cheapest form of advertising that one can obtain.

Do you have a defined geographic market area? Do you know how many potential customers reside within that geographic market area? Do you know how many competitors you have within that market area? Do you know the extent to which the market is being serviced? Are you in the correct yellow pages, or the correct newspapers, or on the correct radio station? Is a long distance call necessary for some of the consumers in business in your market area? Should you have more telephone numbers or lines. What is the shape of your market area, is it oblong, square, round, or rectangular? Have you ever really seriously considered the likely configuration of the geographical area from which 75 or 80% of your customers originate? Is the market area the same for all of your services? These are all part of the "place" component of the marketing mix.

Promotion. the final **P** of the marketing mix is promotion. Promotion consists of four things: advertising, personal selling, sales promotion and publicity. Let's look first at publicity. We typically think of publicity as a non-paid form of advertising and since we don't pay for publicity, it obviously is cost efficient and also can be very effective. Perhaps the most effective publicity campaign ever was the one for the DeLorean car which sold three years production before they ever had a model or even determined the final price.

Newspapers like human interest stories and no doubt each of you frequently has some experiences that are newsworthy. The next time something happens that you think would be newsworthy, call the local newspaper. Chances are you will get a lot of space that will not cost you a dime.

A second element of the promotional mix is sales promotion. An exhibit at this convention is a form of sales promotion for those exhibitors. If you are sufficiently challenged, I'm sure all of you could come up with sales promotion ideas that would not necessarily be expensive.

I have been responsible for the advertising for a bank for approximately twelve years. Each year we "Welcome Spring" on the first day of spring by

giving every customer who comes into all offices of the bank a carnation. It would seem that this type of an activity would be appropriate for a tree care company. Make plans to visit all of the businesses in the central business district and pass out carnations to everyone during the noon hours as symbolic of the change of seasons. It's even better for those up north, if it's snowing, as it often does. Of course, there would be a little attachment to the carnation that would identify your company, your address and phone. You can buy carnations in quantity for approximately \$.25 to \$.30 through a local florist. The basic objective of sales promotion is to get word of mouth advertising going, as most of you realize, this is generally the most effective advertising that one can obtain.

A third element of the promotional mix is personal selling. Obviously, for commercial accounts, utility companies, etc., personal selling plays a very large role. The extent to which personal selling is a part of your promotional mix in the residential market probably varies by the number and types of services that you offer. I would assume that the telephone is extremely important in your business. Do you really know how your company came across on the telephone? Have some friends call your company and ask for a service. Are they treated courteously and efficiently? I have worked with several companies that were astounded at how poorly they were communicating to the customer by the telephone. It is the first impression, and hopefully not the last impression, the caller has of your company.

All employees are in fact sales people for your company. Do they represent you well? Walt Disney - Disney World, etc. - is an outstanding example of how to correctly have *all* employees represent the company in a selling manner.

The last element of the promotional mix is advertising. The old cliché, I know that half of my advertising dollars are wasted but I just don't know which half, probably applies to nearly all of you.

There are various forms of advertising that would be appropriate for the tree care business. For most of your services the yellow pages is probably the most appropriate. As all of you realize, yellow page advertising is expensive. When you get home I challenge you to pick up the yellow pages and look under tree service and identify the

ad you would most likely select. As difficult as it may be for you, try to put yourself in the shoes of the typical customer that would be looking for tree services. I suggest that most of you would find that the ads stress, first, price; followed by, years in business; with the words *professional tree service* used in many of the ads and also *free estimates*. Some ads have the telephone number displayed prominently whereas in some of the others they are not so prominent.

What is the single most important thing to put in a yellow page ad? The answer to that question is a function of what is the single most important thing to the reader of the ad in selecting a tree care service. Certainly price is an important factor, but do not promote and advertise price if, in fact, you are not reasonable or among the lowest in price. Also, do not advertise professional service unless your employees are indeed professional in their conduct at all times. Do not advertise twenty-four hour emergency service if you use an answering machine. Before you buy your next yellow page advertising, I would suggest that each of you call or have someone call approximately one hundred numbers at random in your market area. Ask them, "If they were to be in need of a tree service, what would be the single most important factor in selecting a company?" From the results of these phone calls I would then design my yellow pages or get some professional help. It's not necessary to have the largest ad in the phone book. Look at some of the national companies in lawn care and tree service, they do not typically have large space ads. Ask yourself, when you use the yellow pages, do you go to the company who has the largest ad?

Finally, don't rely solely on the yellow page salesperson to design your ad. He/she works on commission. He/she wants the biggest ad that you will buy. Does he/she really understand the tree care business? Does he/she know what the consumer considers important in selecting tree care?

Probably the best form of advertising you could use is direct mail. I'll relate a personal experience. I needed some trees removed and others trimmed. It took me three years to get around to calling a company. Had a tree sales company reached me with direct mail and offered me some incentive such as 10% off or something of that nature, I pro-

bably would have bought their service two or three years sooner. During the off season, drive through your market area, identify households which you think probably could use tree care service, jot down the address, design an informational piece of direct mail advertising or use an advertising agency to help you design a brochure and in the spring months, or fall months, send this to those identified home owners. Offer them some incentive to respond early. This type of an activity is making your advertising dollars work smarter.

I do not think it wise for most tree care companies to be on the radio, in newspapers, on billboards or on television. How often does the consumer buy tree care services? You know the answer, very infrequently. Therefore, it is not likely that you are going to get a good return from billboard, newspapers, radio, TV or most other forms of advertising. In essence, yellow pages and direct mail are the two most effective advertising media, in my opinion. This, of course, assumes that all of your trucks display your name and your phone number prominently. Keep in mind what I previously said about the guarantee as you develop your advertising or as you paint your trucks.

A Marketing Plan

I have identified the four major marketing decision areas. For those of you who want to develop a marketing plan, Figure 3 illustrates the steps that one might take. There are three essential elements, one is the market analysis in which you identify the demand, competition, nature of the environment, and so forth, for that defined geographical market area from which 75-80% of

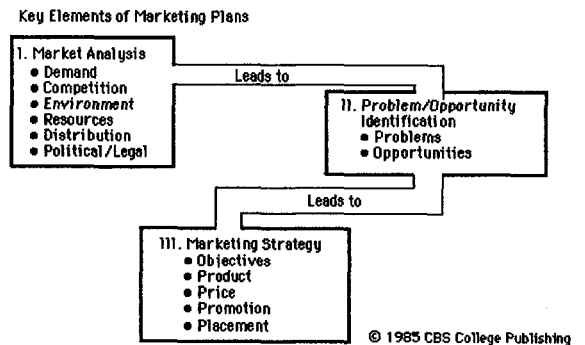


Figure 3. Key elements of marketing plans

your customers would originate. Once you have done the complete market analysis, you will then have identified the various problems as well as opportunities. Peter Drucker is given credit for stating, "Problems are nothing but brilliantly described opportunities." In my twenty-five years of consulting work, I have come to believe this. I could cite several instances where companies have turned problems into opportunities. Once you have identified the various problems and opportunities, the third step is to develop a marketing strategy.

When developing a marketing strategy it is essential to identify those objectives that you are striving to accomplish. The objectives are dependent upon the mission that you have set forth for your company. The four key areas of a marketing strategy are once again, the four **P's**, product,

price, promotion and place.

In summary, you have four areas with which you can make marketing decisions, product, price, place and promotion. Which of these four is the most important? The answer to that question is the one in which you are the weakest. You must have the right product or services and perform them well, good prices, a good market area and, of course, communicate this to the public if you are to be successful. If you are weak in any one of those, the chances of your success are greatly reduced.

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Abstract

Brown, K. W. 1986. **Hazardous waste disposal. What are the options?** Grounds Maintenance 21 (2): 84, 86, 122.

Anyone who must dispose of more than 100 kg (200 pounds or approximately 30 gallons) of pesticide solution or rinse water each month is a hazardous waste generator, as the result of recent federal legislation. Such waste must be treated as a hazardous waste and must be stored and disposed of only by approved methods. Because many of the commonly used pesticides are on the EPA list of toxic substances, all surplus spray solutions, container rinsate water, spray equipment rinsate, solutions resulting from spill cleanup and misformulated solutions are hazardous wastes and must be dealt with accordingly. In the past, the common practice has been to wash the excess spray and rinse down the drain and into the sewer or allow it to run off into adjacent drainage ways. These practices will now likely be banned or abandoned because of the adverse impact on the environment when the pesticides flow or leach from such systems into surface or underground water resources.