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Extension Specialists Presents

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TPI Midwinter Conference

February 14-17, 2006
Savannah, Georgia

- Working Group & Committee Meetings
- Savannah City Trolley Tour—with lunch at the famous "The Lady & Sons"
- ITPF Al Gardner Memorial Golf Tournament
- Pre-Conference Seminar
- General Education Sessions
- Multi-Day Exhibits
- JCB Tour with Dinner & Demo
- Roundtable Forum
- ITPF Banquet & Awards
- Farm Tour

BUSINESS MANAGEMENT

Turfgrass Producers International

Price Objections— The Bane of Salespeople

No one wants to hear, "Your price is too high." Just because one or two customers raise a price objection doesn't mean you have to lower your price or that your price is out of line. If your competition does something stupid, it doesn't mean you have to. To some extent, the market helps determine your prices and, to a lesser degree, your competition can have some impact. However, you are really the one who controls your prices.

Every decision you make about pricing conveys how much you value what you sell. Do you have the courage of your convictions to say, "No," when someone requests lower prices? Price is what they pay; value is what they get. The buyer's motivation when objecting to price can suggest your strategy for dealing with these objections.

Buyers who complain they have a fixed amount of money or are on a tight budget are dealing with insufficient resources and expect suppliers to help them deal with this problem. One solution is to help the buyer find a way to pay the higher price. If he rejects your attempts to help him, the real problem is the buyer's attitude. It's not that he can't pay more; he doesn't want to.

Attitude-based objections are difficult to deal with because they are emotion-based. His priority is on what he pays, not what he gets. It's an attitude-based objection driven by misperceptions. Dealing with other's perceptions is difficult because it is subjective. What the buyer believes is his "perceived" reality. The track record for defeating emotion with reason is poor. An emotional plea might be your most effective strategy: "Mr. Customer, I understand your concern about having to charge your customers more. We both know the value of providing customers

with the best possibly quality. Which do you think poses the greater risk:

- 1) Paying a little more than you anticipated to assure quality, or
- 2) Taking a chance on installing cheaper sod that could come back to haunt you when you customer calls to complain that 'it doesn't look right' or 'it's full of weeds'?"

If the price objection you're dealing with is ego driven, money is secondary. The buyer uses money as the excuse, but his real objective is to win. You must "bleed" figuratively and significantly. Your best strategy is to ask yourself this question before responding to his price objection: "How can I help this buyer win without caving in on my price?" Look for ways to help the buyer save face while maintaining your profitability.

As a turfgrass producer, you have earned the right to a profit, so don't give it away. At a minimum, work as hard to hold the line on pricing as the buyer does to whittle away at your margins.

(Source: Tom Reilley Training)



Member Benefits to Stop September 1 for Non-Renewals

If you haven't already renewed your TPI Membership, you need to do so by September 1 in order to continue receiving *Turf News* magazine, *Business Management* newsletter, 2005-06 TPI Membership Directory, public access listing on TPI website and a wide range of other valuable member services.

If your renewal notice has been misplaced, or you're not sure whether you renewed, contact the TPI office right away.



How to Write a Business Letter That Gets Results!

One of the keys towards becoming successful in your company is being able to write a persuasive and effective business letter. It may be a memo or an e-mail to a potential customer, or it could be as challenging as a letter to ask for a loan. Regardless, writing an effective and concise letter is one of the best business tools you can use to gain new business, establish relationships and increase your bottom line.

Here are seven steps that will enhance any business correspondence you write.

1—Use a Letterhead

Always write your letter on professional letterhead. Make certain it contains: your name, address, phone and fax number and your e-mail address.

Try to avoid using the P.O. box in your stationery.

Writing a letter is no different than talking with someone in person. You want to make the best first impression possible.

2—Determine your Audience

Make certain you know who you should send the letter to. Don't assume that if you send it to "Attention: Buyer," or "Attention: Manager" that it will get to the right person. In fact, the chances of your letter getting to the right party are slim if you address it like that. Always address it to the full name of the recipient.

If you are not certain who that is, call the company and ask. If you are writing a letter to one person and courtesy copying another, it is important that you "speak to" only the person you are writing to. Another surprisingly common mistake is to misspell the recipient's name which is sure to get your letter tossed into the circular file.

3—Gather Information

Before you begin writing a letter, gather all the documents pertaining to the issue you are writing about. If you are writing a collection letter, make certain you have all the information pertaining to the past due bill, including invoice number, amount, shipping date, etc.

If you are writing a sales letter, make certain you have all the information on the product you are selling as well as information on what the company and person you are writing to does. You can't write a successful business letter if you don't understand those important details.

4—Organize Your Thoughts

Make a list of the important points you want to include in the letter. If you are writing a letter of complaint, gather those events in chronological order, explaining what happened each step of the way. Never embellish. All the reader wants is "just the facts," as TV detective Joe Friday used to say. By stating just the facts, in an organized and chronological manner, your letter will be taken seriously. Plus, you'll be more believable.

5—Determine what you want to get out of your letter

What is the goal of writing your letter? Is your intent to get the recipient to purchase a product, or to solve a problem? If so, state it clearly. Give the reader a course of action, such as "please call" or "please send this to." The best way to get a response is to give a call to action in the last two paragraphs of the letter. If your letter is time-sensitive, give the date of when you need a response.

6—Write the letter

You've done all the groundwork; now write! The beauty of writing, unlike verbal communication, is you can change what you want to say. What an opportunity! Be careful though. Do not be long-winded. Think about the types of business letters you like reading. They are generally short and to the point. Your reader is busy and feels the same. Run-on sentences and long paragraphs will cause your letter to be tossed.

Another point is your letter's tone. If you are sending a collection letter, the tone should be firm. If you are sending a sales letter, your tone should convey an air of confidence. If you are writing a thank-you letter, your tone should be

sincere. How can you tell if your letter conveys the right tone? Simple. How does it make you feel when you read it? Whatever it is, chances are the reader will feel the same way after reading it.

7—Re-read

Once you have finished the letter, put it down for a few minutes (or even longer). Go back and proofread it for grammatical errors and structure, as well as for tone. Are you being repetitive? Does it say what you want in the right tone? Is it short and well organized? Recruit another person, unfamiliar with the purpose of your letter. Ask him or her to proofread it for everything from spelling errors to tone. The feedback you receive could prove invaluable.

8—Sign and date the letter

The date of the letter should always be at the top. Sign your letter with your complete name, title and company name.


9—The P.S.

The P.S. on a letter is the second most often read part. Every reader's eyes immediately go from the first sentence or two to the P.S. at the bottom.

I use it in all my correspondences to remind customers of other products and services I sell. Use it to promote your product one more time or to reiterate your point ("We must have your payment by 10/30 to prevent your past due account from being sent to an attorney.")

10—Getting Results

How do you get the best and quickest results after you have written a great letter? FAX IT. Just as studies have shown that business executives respond to Fed Ex packages first rather than postal mail, business managers pay more attention to and read a faxed letter. Emails can be deleted, the post office loses mail, but a fax can get results.

(Business Consultant Stephen Bastien has founded several successful businesses, taught entrepreneurship for Northwestern University and authored two books. Contact him at 800/407-9044 or steve@creditnews.com) 

Marketing Tip

By John R. Graham
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The High Cost of Failing to Market

Effective marketing can help generate customer inquiries without face-to-face sales calls. And, it can help create a mindset in potential customers to "*make the decision to go to you before they even make the decision to buy.*" However, marketing costs money but if it's efficient, it can be cost-effective.

The benefits of a "market-driven" strategy are far greater than one that's "sales-driven." Despite mythical claims that "marketing costs too much," here are four major reasons why just the opposite is true.

1— Marketing bullet-proofs a business against competitive attack. Too often, companies don't give marketing serious attention or effort until something goes wrong. It might be a suddenly aggressive competitor, declining sales or some internal crisis. Then everyone expects marketing to kick in and instantly solve the problem. It doesn't work that way.

Companies are much less vulnerable to competitor attacks when they have armed themselves with a well-marketed image of goodwill, knowledge and value. And that requires a continuing investment of time, effort and money.

2— Marketing creates a company's future. When a potential customer calls and says, "I've known about you for years," you know your marketing efforts are achieving results. If a company has done a good marketing job, at the moment of need, customers will seek you out or welcome your sales call.

Unless a company is actively marketing and prospecting two to 10 years in advance, it will find itself always focused on pushing for sales!

3— Marketing makes selling easier. If customers have a positive predisposition toward doing business with your company, making the sale is simply easier. This allows the salesperson to truly become a consultant. Common selling issues such as overcoming objectives, closing techniques, etc. become

irrelevant. Relying only on "selling skills" to get the order indicates a company has not done its marketing job.

Trying to make the sale when prospects lack a clear understanding of why it's in their best interest to talk to you is a waste of your company's time, personnel and money. Lowering the price to increase sales only drives your cost even higher.

The role of marketing is to create the best environment for selling to be successful. Without it, the cost of doing business is too high.


4— Marketing extends your reach.

Whether a company's focus is on contacting existing customers to find new opportunities or expanding your market area, marketing is necessary to achieve a successful effort. To grow a business today, the company's collective mindset must change from "everybody-knows-us," to "nobody knows us." Without that transformation, the sales efforts are weakened even though the fault was a lack of marketing.

Here's the message: What's too costly is failing to market. The bottom line value of marketing becomes clear when you take into account these three factors:

- 1— Sales that are going to a better-known (but not necessarily more competent) competitor
- 2— Sales opportunities that are missed because you are unaware they even exist
- 3— Thin-margin sales that are being made to "save accounts" or to "get in the door."

The money is going out the door now. The goal of marketing is to keep it where it belongs—on your books.

(John R. Graham, president of Graham Communications, is author of four books and numerous articles on marketing and sales. He frequently shares his Magnet Power presentations at company and association meetings. His e-mail is j_graham@grahamcomm.com) 

Shrewder Computing

Avoid Phishing Scams

"During our regular verification of accounts, we couldn't verify your information..." Have you received a similar e-mail message? It's a scam called "phishing" in which Internet fraudsters send spam or pop-up messages to con you out of personal information (credit card or bank account numbers, etc.). Phishers appear to be from a familiar business or organization, and some even threaten dire consequences if you don't respond immediately.

The Federal Trade Commission (FTC) suggests these tips to help avoid getting hooked by a phishing scam:

- ♦ If you get an e-mail or pop-up message that asks for personal or financial information, do not reply, do not click on the message link or even the "unsubscribe" link. Legitimate companies don't ask for this information via e-mail. Contact the organization mentioned in the e-mail via telephone, if you are concerned about your account.

- ♦ Use anti-virus software and a firewall, and keep them up to date.

- ♦ E-mail is not a secure method of transmitting personal and financial information. Although there are indicators to help determine if a website is secure, such as a lock icon on the browser's status bar, or a URL for a website that begins "https:" (the "s" stands for "secure").

- ♦ Review credit card and bank account statements when received to check for unauthorized charges.

- ♦ Be cautious about opening or downloading any attachment or files from e-mails, regardless of who sent them.

- ♦ Forward spam that is "phishing" for information to spam@uce.gov and to the company, bank or organization impersonated in the phishing e-mail.

You can also file your complaint at www.ftc.gov

TPI Action

Member Health Insurance Available Soon for Owners/Employees

TPI has contracted with Mass Marketing Insurance Company to offer health insurance to U.S. farm owners and their employees. Details will be mailed in August to TPI member in the U.S. Mass Marketing Insurance is an insurance brokerage and, because of the potential participation of TPI members, has agreed to offer competitive rates. Each TPI member interested in medical insurance through Mass Marketing Insurance Company will receive a custom quote. The decision whether to accept Marketing Insurance Company's recommendation is up to the member.

TPI Sponsorships of Turfgrass Extension Specialists Presents TPI Members a Great Opportunity!

A recent TPI meeting with state Turfgrass Extension Specialists identified the mutual need and desire to work more closely together to better serve the overall TPI membership, general green industry and the general public. As a TPI member, you can be a significant part of this effort by providing a TPI Sponsorship for the state or local Turfgrass Extension Specialist or agent of your choice. For your \$50 sponsorship, you will receive a number of significant benefits including: 1) Mention in Turf News, 2) A fill-in-the-blanks press release to distribute to your local news media, and 3) Enhanced relationship with your Extension Specialist or Agent. TPI will notify your selected Agent or Specialist of your gift and begin receiving Turf News magazine, Business Management newsletter and other important information from TPI. To sign up for a Turfgrass Extension Specialist sponsorship, contact Terri Berkowitz at the TPI office at 800/405-8873 or tberkowitz@TurfGrassSod.org

To receive additional information on any of these items, contact the TPI Office

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e-mail: info@TurfGrassSod.org

Website: <http://www.TurfGrassSod.org>

Artificial vs. Natural?

In a 2004 NFLPA Opinion Survey, players were asked, "Which surface do you think is more likely to contribute to injury?" Here are their responses:

Club	Real Grass	Artificial Turf
Arizona Cardinals	6.3%	93.8%
Atlanta Falcons	10.0%	90.0%
Baltimore Ravens	14.9%	85.1%
Buffalo Bills	8.8%	91.2%
Carolina Panthers	8.0%	92.0%
Chicago Bears	5.6%	94.4%
Cincinnati Bengals	5.8%	94.2%
Cleveland Browns	10.2%	89.8%
Dallas Cowboys	7.1%	92.9%
Denver Broncos	11.4%	88.6%
Detroit Lions	15.7%	84.3%
Green Bay Packers	0.0%	100.0%
Houston Texans	9.3%	90.7%
Indianapolis Colts	7.0%	93.0%
Jacksonville Jaguars	17.1%	82.9%
Kansas City Chiefs	7.3%	92.7%
Miami Dolphins	8.1%	91.9%
Minnesota Vikings	5.8%	94.2%
New England Patriots	1.8%	98.2%
New Orleans Saints	16.7%	88.3%
New York Giants	8.5%	91.5%
New York Jets	11.4%	88.6%
Oakland Raiders	14.3%	85.7%
Philadelphia Eagles	12.2%	87.8%
Pittsburgh Steelers	7.8%	92.2%
St. Louis Rams	4.4%	95.6%
San Diego Chargers	9.1%	90.9%
San Francisco 49ers	6.7%	93.3%
Seattle Seahawks	4.0%	96.0%
Tampa Bay Buccaneers	10.3%	89.7%
Tennessee Titans	8.5%	91.5%
Washington Redskins	12.8%	87.2%
League Totals	8.82%	91.18%

Business Management

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