COMMERCIAL LANDSCAPE MAINTENANCE PRICING

ADDRESSING THE 'PRICE GAP' SO YOU CAN GET THE SERVICE YOU EXPECT AT A FAIR PRICE.





How much will it cost? As a commercial property manager making a critical buying decision that will impact the appearance and health of your grounds, you want to know: What's the price of commercial landscape maintenance? What am I actually paying for– and why is there such a price difference between landscape providers' proposals?

Have you ever compared two landscape maintenance proposals and wondered, "Are they talking about the same property?"

You are responsible for making sure you pay a fair price for <u>quality landscape maintenance</u>. The challenge is, with such a range in price among landscape companies' services, how do you know what's actually fair? If you go with a lower price, will you get gouged with add-on fees and invoices for extra services at the end of the season? And, if one price is a lot higher than the rest, does that mean the results will actually be that much better?

Pricing matters. There is a lot that goes into the number at the bottom of that commercial <u>landscape contract</u>. You deserve to know exactly how a landscape company builds its price.

- > What services are included?
- > What level of quality can you expect?
- > How responsive will the commercial landscape company be to your requests?
- > Another good question: How will the provider handle issues on your property when things aren't going well?

It's time to get some real, honest answers about what goes into the price of your commercial landscape maintenance services so you can make an informed decision when selecting a provider.

This guide addresses the significant **Price Gap** between landscape companies' proposals, and will help you understand what should be included in quality landscape maintenance services. We will provide a helpful worksheet you can fill out to determine what landscape services you actually need, so you set the expectations with your provider and get a price based on your property's requirements. We will also talk about qualities to look for beyond price when hiring a commercial landscape company.

Let's get started.

VALUE AND PRICE: FINDING A BALANCE

Consider the landscape maintenance service you are currently receiving. How does your property look? Are you pleased with what the landscape company delivers in terms of property appearance, plant health and customer service?

The reason why pricing can be a complicated discussion is because two landscape firms can perform the same maintenance task and offer a completely different value to you, the consumer. One provider might mow, blow and go. The other might be more relationship-focused, taking advantage of service visits to carefully review your property for opportunities to improve it. That's the difference between simply providing a service and offering <u>real value</u>.

> Any landscaper can make tall grass short. The value comes when you partner with a grounds management provider that treats your property like its own and understands your needs and wants.

SETTING EXPECTATIONS: FINDING A BALANCE

Many of us come to the negotiation table with very different ideas of what quality looks like and what we expect from our landscape providers. No two property owners are the same-they have varying goals, budgets and stakeholders to serve. And, they have different expectations. What one property manager considers clean-cut is shabby to another.

Talk openly about your expectations for landscape maintenance before the proposal process begins. Talk about what you need–and what you want. There's more than one way to approach landscape maintenance, and an experienced grounds management partner will guide you toward a program that suits your needs and budget. Be sure your Request for Proposal (RFP) is updated to reflect advances in how landscape maintenance is provided. The landscape industry has advanced significantly over the years, with more efficient and sustainable equipment, and more effective products. Legislation has evolved, and all of this impacts the way landscape services are delivered. Be sure to consider all of these changes when creating an RFP.

Be clear about your maintenance needs and wants. Otherwise, your contract could overlook a number of important maintenance requirements. Make a list of what you expect from a service perspective. We include a handy Build a Bid worksheet on page 10 to guide you through that process.

>> Price Gap <<

If a contract is not specific, how will you know what services you are actually getting? You could choose the lower-priced provider but actually end up paying more for services that were not figured into the contract. For example: A contract does not include enough mowing, or overlooks seasonal pruning and mulch. And, what exactly is a "season?" In Ohio, we define this as 38 to 40 weeks. Remember, if a price seems too good to be true, it probably is.

3 SERVICE VARIABLES THAT IMPACT LANDSCAPE MAINTENANCE PRICING

We talked about communicating your <u>expectations</u>, and the fact that we come to the table with different ideas about what "looks good." Now, let's go back to the question: "Why does the price look so different?" There are variables in a commercial landscape maintenance contract that impact pricing. That is why we see a **Price Gap** among some competing landscape companies.

Here are three factors that impact the price of your landscape services.

#1 Scope of Services

The size of your property and complete list of services required to maintain it should be included in the contract. Provide a landscape map to landscape companies and clearly mark service areas. How do you want less visible areas to be maintained? What are your priorities for high-traffic areas? Be clear about your goals.

- > Scope of services might include:
- > Mowing, trimming and edging
- > Fertilizer and weed control
- > Seasonal pruning
- > Spring and fall cleanup
- > Dormant pruning
- > Fall and holiday décor

- > Irrigation maintenance
- > Mulch
- > Spring, summer and fall flowers
- > Snow and ice management (Note: Winter services generally involve a separate contract.)

#2 Frequency of Service

Now that you have a scope of work to maintain your commercial landscape, let's dive deeper and talk numbers. How many visits? How much mulch? Frequency of service addresses the actual number of services that will be provided. *Frequency is often the culprit of pricing discrepancies.* Ohio's landscape maintenance season is typically 38 to 40 weeks long. A lawn will not necessarily require mowing at every visit, depending on the time of year and weather.

Example: Why Is The Price So Different?

Let's compare just the mowing service of two contracts to see how pricing can vary significantly.

Contract A includes 28 mowing visits per year. The visit includes landscape tasks, such as edging and trimming. **Contract B** This contract provides 32 visits per year. Landscape tasks also include edging and trimming.

Here's the problem: Contract A includes landscape tasks just like Contract B, however fewer service visits reduces the time and labor expense involved. Contract B includes four more visits—more time dedicated to maintaining the property. Be sure when comparing contracts that the service frequently is spelled out. Do not assume you're getting 32 visits, because a lower-priced contract might be based on 28 visits.

>> Contract Tip <<

Your landscape maintenance contract should include four columns of information so you can easily review and compare prices applesto-apples. If a contract is missing one of the categories below, ask for the information! It is your right as a property manager to have all of the details about the landscape maintenance you're about to invest in.

- **1:** Description of services
- **2:** Frequency
- **3:** Cost per service
- 4: Annual cost

>> Price Gap <<

Buyer beware! Ask about future pricing. If the bottom line on a landscape maintenance contract seems too good to be true, it probably is. **The bottom line:** Ask for a seasonal calendar that outlines expected delivery for service. If you expect weekly landscape maintenance visits, be sure the contract clearly defines frequency so you can hold the provider to its promise.

#3 Safety and Integrity

You can't put a price on <u>safety</u> and integrity. The reality is, you'll compare contracts side by side, and even the ones that include the four columns we suggest (left) will show variances in price. Why? There are plenty of landscape companies out there that are lax with safety, not properly certified, ignore industry standards, hire unskilled employees, and lack proper equipment or expertise.

Price is a sensitive issue, and as business professionals we're all focused on maximizing our budgets. But keep this in mind: Maintaining an exemplary safety record and upholding <u>professional certifications</u> requires an investment on the behalf of your landscape maintenance partner. When companies cut prices down to compete in the market, they could be sacrificing important in-house programs that ultimately benefit you, the property manager.

Find about your landscape provider's safety record, and ask for proof. The workers' compensation experience modifier rating will indicate whether a company's safety programs are actually effective. Safety matters because as a property manager, you ultimately are responsible for protecting the welfare of people who live, work and play on the grounds.

As for integrity, one thing we see all the time is when companies come in with a drastically lower bid to win an account. The strategy is: Underprice the services to win the contract, and hope for a significant price increase later.

A property manager might be attracted by the glossy presentation and low price, and leave a longtime landscape provider for this better deal. The problem is, that low price was a one-shot deal in terms of pricing. What about pricing next year-and the year after? Property managers can end up disappointed that their landscape service is not up to expectations and the price inflates after that initial season.

SIGN A CONTRACT WITH CARE

It's so important that your landscape maintenance partner tailors maintenance services to suit your property's needs. No two properties are alike. That said, most landscape firms work off of a base contract when building a bid.

While we can't provide an exact price for servicing your commercial property, this illustrates how two different levels of maintenance service agreements are structured. You will see how various services, or increasing frequency of service, can impact the price.

The TotalCARE and PremiumCare contracts are "starters" that we use as a base. We can build more services into a contract, or edit out maintenance activities that are not necessary on your commercial property. Contracts are customized to meet your specific needs.

Now, let's walk through two popular landscape maintenance contracts that Schill Grounds Management offers.

Tota/CARE

Services	Frequency
Landscape Management Services	28
Standard Spring Cleanup	1
Standard Hardwood Mulch	Natural
Seasonal Pruning	1
Lawn Care no/Bug	4
Fall Cleanup	2
Perennial Grass Maintenance	1

Premium **CARE**

Services	Frequency
Landscape Management Services	32
Deluxe Spring Cleanup	1
Premium Dyed Bark Mulch	Blk/Brn
Seasonal Pruning	2
Lawn Care no/Bug	5
Deluxe Fall Cleanup	4
Perennial Grass Maintenance	1
Tree & Shrub Fertilization	1
Tree & Shrub Insect/Disease Control	3

*The cost per service and annual cost columns are not included in these examples because those prices are based on the square footage of your property and require proper measuring and a site visit to accurately complete.

*Visit us for a full menu of Schill Grounds Management services.

Optional Services

Irrigation: Spring Startup Backflow Test Mid-Season Adjustment Winterization Seasonal Color: Spring Flowers Summer Flowers Fall Flowers Holiday Décor: Fall Décor Christmas Décor Dormant Pruning Aeration



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CUSTOMIZING LANDSCAPE SERVICES TO SUIT YOUR BUDGET

What landscape services do you *need*? What extras do you *want*? For example, you know your commercial property needs mowing, trimming and edging. It needs fertilization and weed control. It needs cleanups in spring and fall, and it needs some tree pruning. Beyond that, you want to add seasonal color, and you want fresh mulch for landscape beds.

Your property's needs are the seasonal landscape services that must happen to maintain the quality, health and appearance of your property. Meanwhile, your wants will enhance the property's value. **Your needs must be included in the landscape service contract–and your wants should also be addressed.** When you know what you need vs. want, your landscape provider can guide you toward ways to reduce the cost without sacrificing quality.

At Schill, we provide our clients with a list of optional services. That way, they can make <u>informed</u> <u>buying decisions</u> and stay on target with their annual budgets.

We understand that meeting a budget can be challenging. And, we often get the question: How can you make the price lower? We work closely with property managers to find ways to meet their needs and address their wants, too. Here are some ways that the costs of a seasonal landscape contract can be reduced.

>> Price Gap <<

You'll notice a significant price difference in contracts that include the most basic landscape maintenance (mowing, trimming, edging) vs. more complete contracts that include fertilization/weed control, pruning, mulch and so on. When reviewing landscape contracts, be sure that you are comparing apples to apples.

Does the contract include all of your needs?





#1 Consider Reducing Service Frequency

At the end of the day and in most cases, landscape services involve materials and labor. The more visits per year, the more of those resources are required. Whether visits are mowing, trimming, edging, fertilizing or pruning, all of those material and labor costs add up. We measure your entire property to determine the material and labor required to care for your grounds, and we multiply that by the number of visits to determine your seasonal cost. The type and use of your property (retail, industrial, HOA) will determine how many visits you need. (See Build a Budget on page next page for details.)

Here's how reducing frequency of service can reduce price.

Example: Your property currently gets mowed 32 times per year and there are less visible areas that can be mowed less frequently without impacting quality. You reduce mowing in those areas to 20 times per year. Fewer man-hours for mowing reduces the price.

#2 Consider Different Material Options

Example: Your contract includes mulching in spring. You might have an option to select different types of mulch, or the depth at which mulch is applied. These variables can reduce costs.

#3 Consider a Basic Maintenance Program

Example: Your contract includes planting summer and fall annuals because you like to keep the landscape beds refreshed each season. To reduce costs, you might choose to do just one color rotation per season, or replace annuals with mulch and/or other plants that do not need to be replanted every year.



BUILD A BID

Whether you oversee an HOA, industrial facility, office park or retail shopping center, your landscape maintenance deserves attention to look its best.

But what level of landscape maintenance does your property require? How many visits does your commercial property need? Here are some basic guidelines.

> 28 visits

Industrial properties (no irrigation),commercial/industrial facilities, low visitor traffic, modest landscaping, non-irrigated

> 30 visits

Retail, commercial,HOA and apartment communities, moderate traffic volume, "typical" landscape plantings and trees, partially or non-irrigated

> 32 visits

High-end retail, HOA, retirement, assisted living an apartment communities, high-traffic volume, high-impact landscaping, annual plantings and trees, typically irrigated, curb appeal is a priority

Build a Bid worksheet on page 10.



Now, knowing your property type, your landscape needs (and wants), answer the following questions on this worksheet. This exercise shows how service visits and work performed can impact pricing. Following is a sample Build a Bid worksheet. To complete the full, interactive survey, contact us and a team member will provide you with that tool.

MAINTENANCE VISITS

How many weekly care visits would you like? 28 visits 30 visits 32 visits	How often do you want your pavement edged? How often do you want your beds weeded?	
Do you have a preference on the		
day of service?	Do you need vegetation control for	
	non-turf areas?	
Are there any mowing restrictions regarding size of equipment used on property? Yes If yes, what are they?	 Do you have low-profile turf areas? Yes If yes, how many visits do you want services performed? 	
□ No	D No	
SPRING SERVICES		
How deep do you want bed edges? How often do you want bed edges to be done? Do you want pre-emergent applied in beds? Yes or No Do you want existing mulch turned? Yes or No	Do you want mulch? Color: Type: bark or □ hardwood Application: hand or □ blown in What beds are included in the contract? □ Front corner to front corner and common beds. □ Front/sides and common beds □ All beds Are there any deadlines on mulch installation? □ Yes or □ No	
SEASONAL CARE		
 Does everything on the property get pruned? Front corner to front corner and common beds. Front/sides and common beds All beds 	Do you want perennial <u>pruning</u> throughout the season? Yes or No How many times during the season do you want it pruned?	
Do you want your plant material hand- pruned or sheared? Yes or INo	Do you have any dates that you would like your pruning done?	

FALL CARE

How many visits do you want for your leaf <u>cleanup</u> ?	Are there fall cleanup deadlines? Yes If yes, what are they?
Do you want ornamental grasses cut back in fall? Yes or INO	□ No
HORT CARE	
 LAWN:How many applications of <u>fertilizer</u> do you want? 4 visits 5 visits 6 visits Oo you want grub control? Yes or No 	 TREES AND SHRUBS: Do you want insect and disease preventive? Deep root feeding? Dormant oil? Yes or No Insect and disease preventive Yes or No Deep root feeding Yes or No Dormant oil
ANNUAL CARE	
Do you want annuals in spring or fall? Yes or INO	Do you want a flower <u>fertilization</u> program? Yes or I No
SPRINKLER CARE	
 Do you have a <u>sprinkler</u> system? Yes or No Do you need a back flow inspection? Yes If yes, how many? No 	How many zones and controllers are on site?
OPTIONAL SERVICES	
<u>Aeration</u> (spring or fall)?	<u>Seasonal décor (holiday, autumn)</u>
 Spring Fall Snow removal 	☐ Yes If yes, when?
Yes or No	□ No

BEYOND PRICE: HIRING A LANDSCAPE PROVIDER THAT CARES

By reading this guide and working through the Build a Bid tool, *you are addressing the price gap* in the landscape industry. Now, you have gained a better understanding of how landscape contracts are actually constructed—if they're done right. You are a more informed consumer, and therefore are more likely to get the commercial landscape maintenance services you expect.

We understand that pricing is an important part of the buying decision for many of our clients. But pricing isn't everything. Your relationship with the <u>landscape partner you choose</u> is critical. You want a partner that provides consistent service and is accessible 24/7/365 with communication tools that make it easy for you to ask questions and address issues. Your landscape maintenance provider must be reliable, because the quality and appearance of your property depends on their service. And you should be sure the partner caring for your grounds is a certified professional with experience.

At Schill, we call this CARE Package. We encourage you to **go beyond price and ask how the landscape partner will deliver service.**

At Schill, our CARE Package means a Client Care Specialist is dedicated to your property and available at all times as a go-to. If you've got a problem, we have systems for logging and addressing all issues within the same business day. (We recommend asking how your landscape provider will deal with problems because no company is perfect.)

Consistency assures that your property will cared for by longtime team members who get to know you and your property so services are delivered on time, budget and to your expectations.

Accessibility involves constant check-ins to see how your property is progressing based on a customized plan of seasonal commercial landscaping. Technology allows staff to receive emails, texts and phone calls so you can reach your Client Care Specialist *how* and *when* you need to.

Reliability means managing your needs in a timely and efficient manner. All issues and special requests are logged into a database that is managed by our Customer Experience Team and shared with our teams in the field in real time. You want a landscape provider that has a plan in place for dealing with your requests and concerns.

Expertise is essential for assuring that you receive quality landscape service. Find out the company's track record for success and what certifications its staff holds. Certification indicates a company's commitment to education and professionalism. Certification is one way to benchmark landscape providers.

Finally, be sure to ask the landscape provider for referrals–and call them. Reference properties that are similar to yours, and ask how the landscape company handled the job.



CONCLUSION: KNOWLEDGE IS PRICELESS

Great relationships begin with a solid plan and clearly defined expectations.

We'd be happy to review any landscape maintenance contract, SOW or RFP. **Give us a call today** at 440.327.3030, or email <u>http://www.schilllandscaping.com/contact/</u>. A Schill Grounds Management Client Care Specialist will give you honest answers.





ISO 9001 CERTIFICATION SN 9001

LANDSCAPING MAINTENANCE PRICING



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