

PALATABLE PRICING

APPROACH YOUR NEXT SALE WITH CONFIDENCE
BY OFFERING THIRD-PARTY FINANCING.



SPONSORED BY

**WELLS
FARGO**

IN PARTNERSHIP WITH

Lawn & Landscape

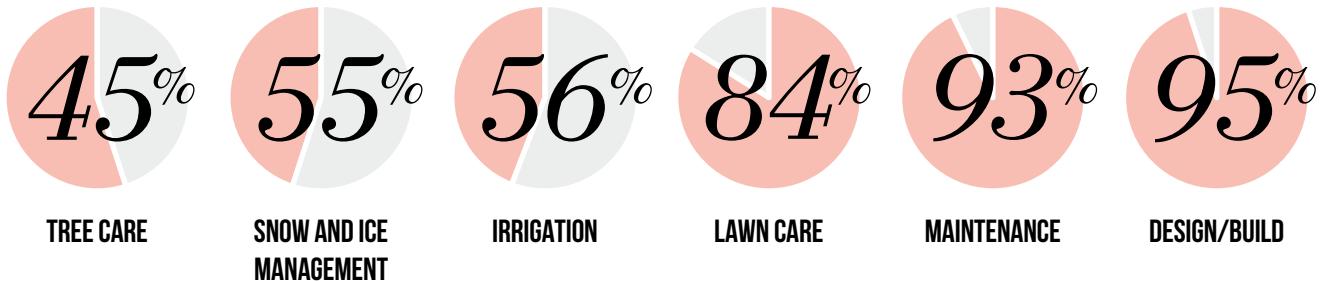


Numbers about numbers

WE SURVEYED MORE THAN 300 CONTRACTORS ON FINANCING IN THE GREEN INDUSTRY.

Our exclusive research on financing shows not many landscapers are using it as an option, but those who do have been able to secure more customers. The results on the following pages will give you an idea of how customers are paying for projects, and what affect financing has on the industry.

WHAT SERVICES DO YOU OFFER? CHOOSE ALL THAT APPLY.

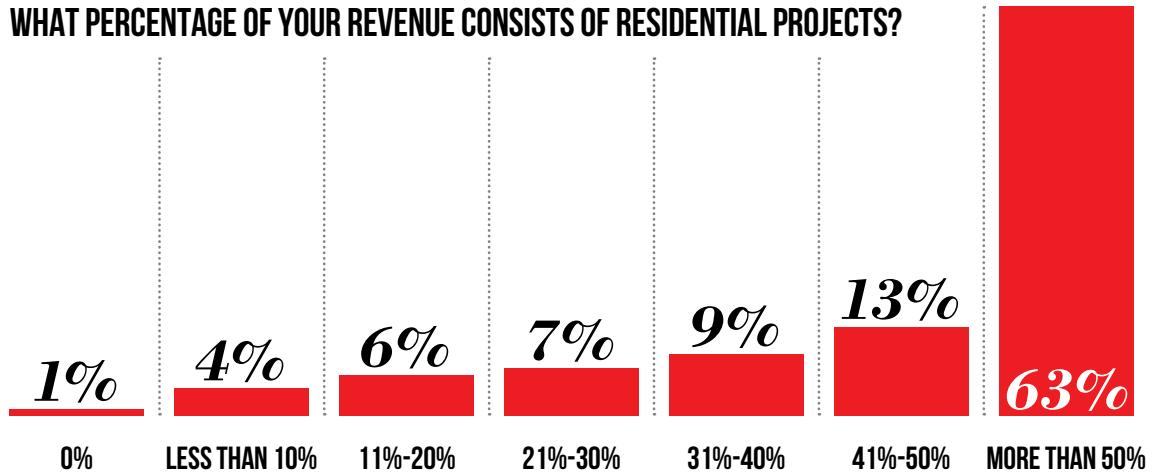


© THINKSTOCK

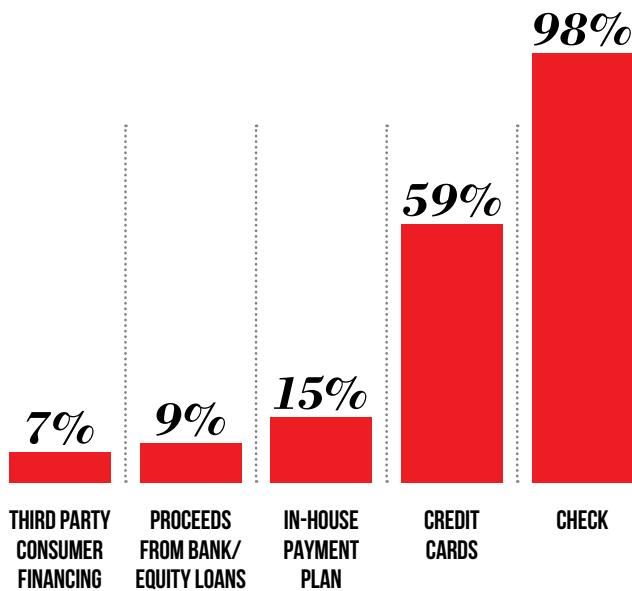




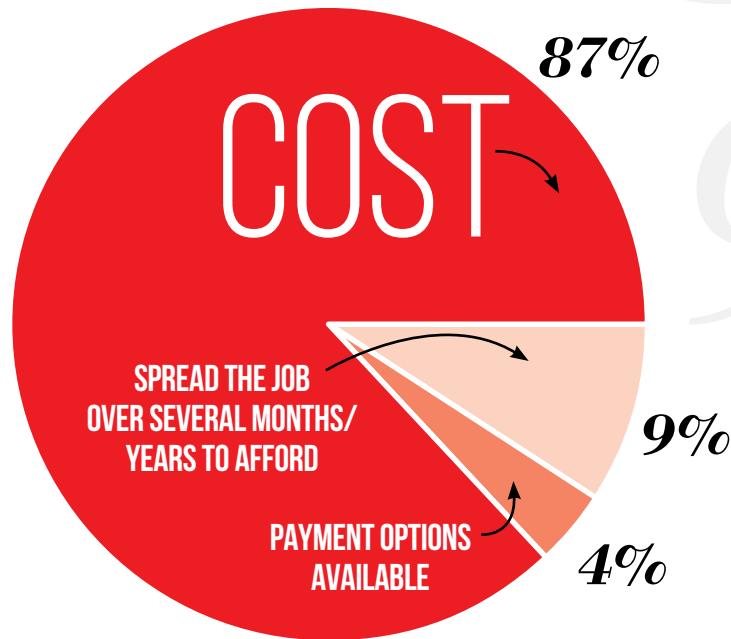
WHAT PERCENTAGE OF YOUR REVENUE CONSISTS OF RESIDENTIAL PROJECTS?



WHAT FORMS OF PAYMENT DO YOU ACCEPT BESIDES CASH? (CHECK ALL THAT APPLY)



WHAT OBJECTIONS DO YOU MOST OFTEN HEAR WHEN A CUSTOMER REJECTS A JOB?



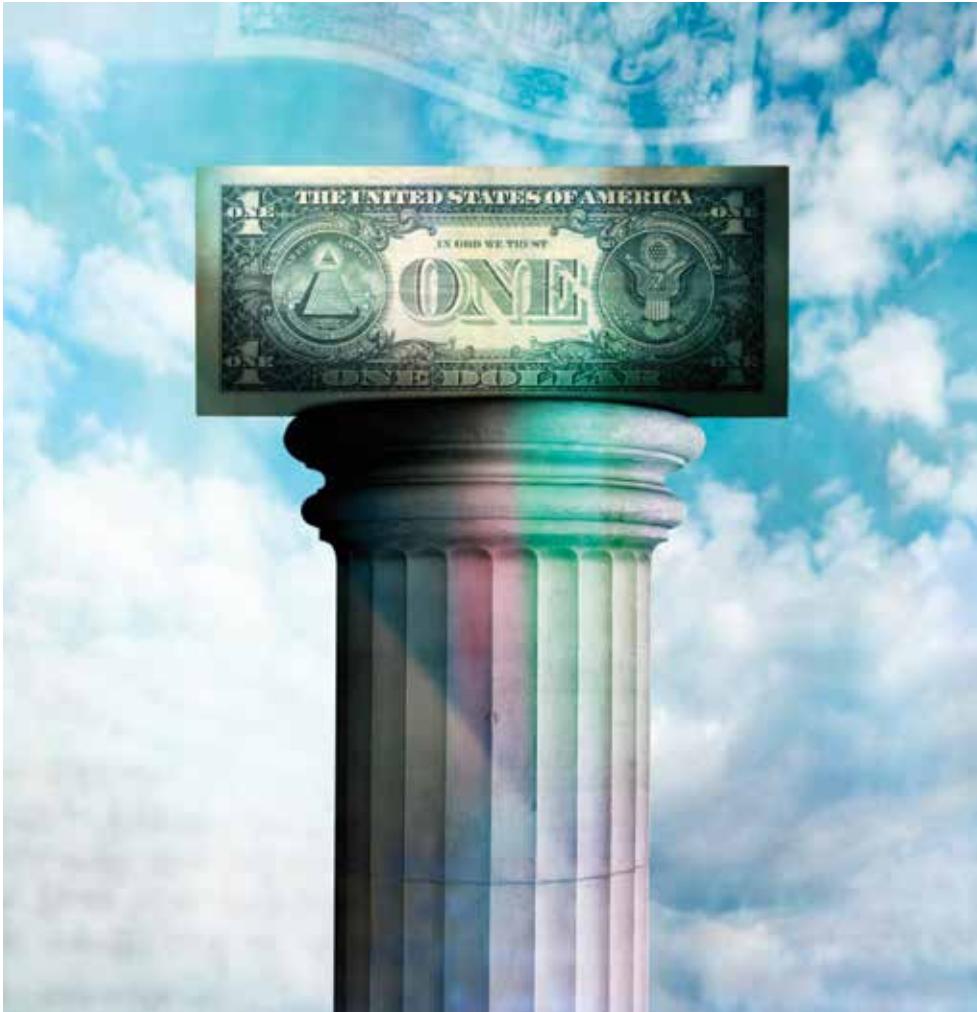
HOW DO YOUR CUSTOMERS COMMONLY PAY?



COVER IMAGE: © BRIAN JACOBSON | THINKSTOCK

**WELLS
FARGO**

SMART FINANCE MONTH
SPONSORED BY WELLS FARGO



Are You One of the 94% Who May Be Passing Up Important Sales?

Nine out of 10 landscape companies could be losing important sales.¹

Are you one of them?

Third-party consumer financing for landscaping, hardscaping, and installation work helps homeowners get the outdoor

oasis they want. And, it helps overcome some setbacks landscapers commonly face.

The startling truth?

Ninety-four percent of companies surveyed don't offer financing, even though cost is the biggest single objection to landscaping projects.¹ Read as Wells Fargo, a consumer financing leader, shares why

this newer idea in residential landscaping can be so good for contractors and their customers.

What are the benefits for landscaping companies?

Financing gives their customers purchasing power to turn projects into manageable payments, putting contractors in

“The convenience of the Wells Fargo Outdoor Solutions credit card program has allowed Meadows Farms’ customers to be comfortable doing phases of their landscape projects that would typically be undertaken after another year or two, and sometimes never.”

Dave Reed,
Meadows Farms, Inc.

a better position to sell entire jobs instead of pieces. We’ve seen it:

- Help customers on the fence move forward with their plans
- Save bids, turning them into revenue-generating jobs
- Drive higher average tickets
- Make outdoor improvements more affordable for customers

Fewer scaled-back projects, cancelled jobs, or work that stalls out because of cost leads to revenue for those businesses.

When Lawn & Landscape recently surveyed contractors, those who offer financing report positive results, which reflect the same trends we see.

- 78% got more customers¹
- 44% saved/increased job size¹
- 33% saw better cash flow¹

From purchasing power and time to pay, financing clearly addresses the cost issue. For example, our program gives customers an open line of credit they can access once they’re

approved. Then, they pay for project costs over time, from six months to a few years, with easy monthly payments.

Are there other benefits?

There are. A good consumer finance program can:

- Help eliminate purchase delays
- Differentiate a company from competitors
- Attract new customers and develop long-term ones
- Allow contractors to start work without costly delays
- Provide contractors with consistent income

It also makes happy customers with finished outdoor improvements, special financing offers with lower to no interest charges, and convenient monthly payments. And, happy customers can hire you for future projects with their line of credit and benefit from special financing offers again.

Landscape companies and their customers appreciate our financing because there's no waiting on a long loan approval process. Since the credit line isn't secured by property, there aren't closing costs, appraisal fees, or down payment requirements, either. All of these great features make the program easy to sell and easy to use.

Are there misconceptions about offering financing?

Yes. Most commonly, companies without first-hand experience fear that:

- Few customers get approved

“We would recommend any landscaping business join this awesome program. No one else has a program geared toward landscaping that even comes close.”

Victoria Smith, Bailey Construction & Landscape Group, Inc.

- Credit limits are too low
 - Financing programs are too hard to use
- However, contractors offering our program see competitive approval rates. As for credit limits, 30% of surveyed contractors who offer financing actually increased the size of their residential landscape jobs.¹ With our program, approved customers finance from \$10,000 to \$12,000 on average.

We've gone to great lengths to make an easy-to-use program. Online and mobile applications are available now. Our online transaction processing tools are simple. And generally, we immediately return credit decisions so there's little waiting, if any.

How does the process work after customers decide to finance a project?

It's pretty simple.

- First, they apply. The contractor provides interested customers with the financing terms and credit card agreement. Anyone moving forward completes a credit application.
- Next, the provider approves or declines the customer for credit. Most often, these automate de-

isions are returned right away. With our program, approved customers receive a line of credit to use immediately.

- Then, the contractor completes the work.
- Final step, the finance provider funds the contractor, minus the discount rate. Funds are usually deposited into our contractors' accounts within 48 hours.

The beauty for contractors? They don't have to worry about getting paid, administering anything, or collecting payments. The financing provider does all of it.

How do you recommend contractors introduce financing?

We suggest promoting it anywhere people will see it — on their vehicles, websites, and in advertising. We also recommend mentioning financing options to every customer during their initial conversation, site visits, and when they talk about project plans.

It's best when they present customers with bids that have financing options built in. This way, they can speak to the options while customers see special terms available with potential monthly payments.

Is there certain landscaping work that's better suited for financing?

Involved design/build projects or projects where customers want to add enhancements can be well suited. Sometimes, customers feel more comfortable making monthly payments than paying the total cost at once. These all can be good opportunities. Much of it depends on the customers' budget, project size, and how they want to pay for the work.

What type of landscaping company is best suited to offer financing?

Companies that want to acquire more customers; help their customers complete the projects they want, when they want them; and those that want to grow their businesses should look into it.

Since third-party financing can help businesses better control their cash flow, companies offering in-house payment plans should consider it, too.

The Wells Fargo Outdoor Solutions credit card program is designed for lawn & landscaping companies that work with pavers, retaining walls, plants and trees, irrigation systems, and water features. But, customers also finance fencing, hearth products, patios, and other popular outdoor projects with it.

If you want to learn more about the Wells Fargo Outdoor Solutions consumer financing program or sign up, call 1-866-840-9445, Monday – Friday, 7:30 a.m. – 5:30 p.m. Central Time or visit wells.fargo.com/outdoorsolutions.

“We've had great success in getting adequate credit lines established for our clients.”

Matthew Shepherd, Pacific Outdoor Living

¹Lawn & Landscape Magazine Financing Survey, January 2016

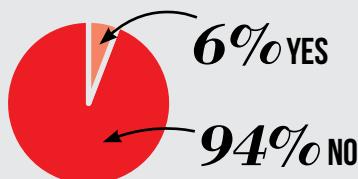


Buy now, PAY LATER

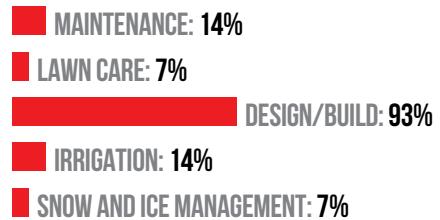
FINANCING CAN INCREASE YOUR CUSTOMER POOL.

Of the more than 300 people who responded to our survey, less than 10 percent said they offered third-party/consumer financing. While it's only a small amount, the numbers give some insight on a selling method not widely used in the industry.

**DO YOU CURRENTLY
OFFER THIRD-PARTY/
CONSUMER FINANCING?**



ON WHAT SERVICES DO YOU OFFER THIRD-PARTY FINANCING?



HOW HAS OFFERING CUSTOMER FINANCING CHANGED YOUR BUSINESS? CHOOSE ALL THAT APPLY.



AS A PERCENTAGE, HOW MANY OF YOUR CUSTOMERS SIGN UP FOR FINANCING?



WHEN ONE OF YOUR CLIENTS USES YOUR CONSUMER FINANCING, WHAT IS THE AVERAGE TRANSACTION SIZE?

