

Point of No Return?

Garden centers have varying policies regarding customers returning product, but in the end, it's about keeping them happy — there's no exchange for customer loyalty during uncertain economic times.

By Ashley Puderbaugh

The current economic climate is forcing many garden retailers, from the biggest of big boxes to the smallest mom-and-pop retailers, to find new ways of cutting costs. Marketing efforts, eliminating dead weight and shortening employee hours are some ways garden centers across the United States are cutting back, but one thing consistently staying the same is return policies. Many garden stores are sticking to their tried-and-true return policies in an effort to create goodwill toward customers.

"In this climate, you do everything you can to keep customers returning to the store," says Mark Titzman, store manager of Family Tree Nursery in Overland Park, Kan. "You don't want to piss people off in a recession, because when the climate gets better they'll remember and won't come back."

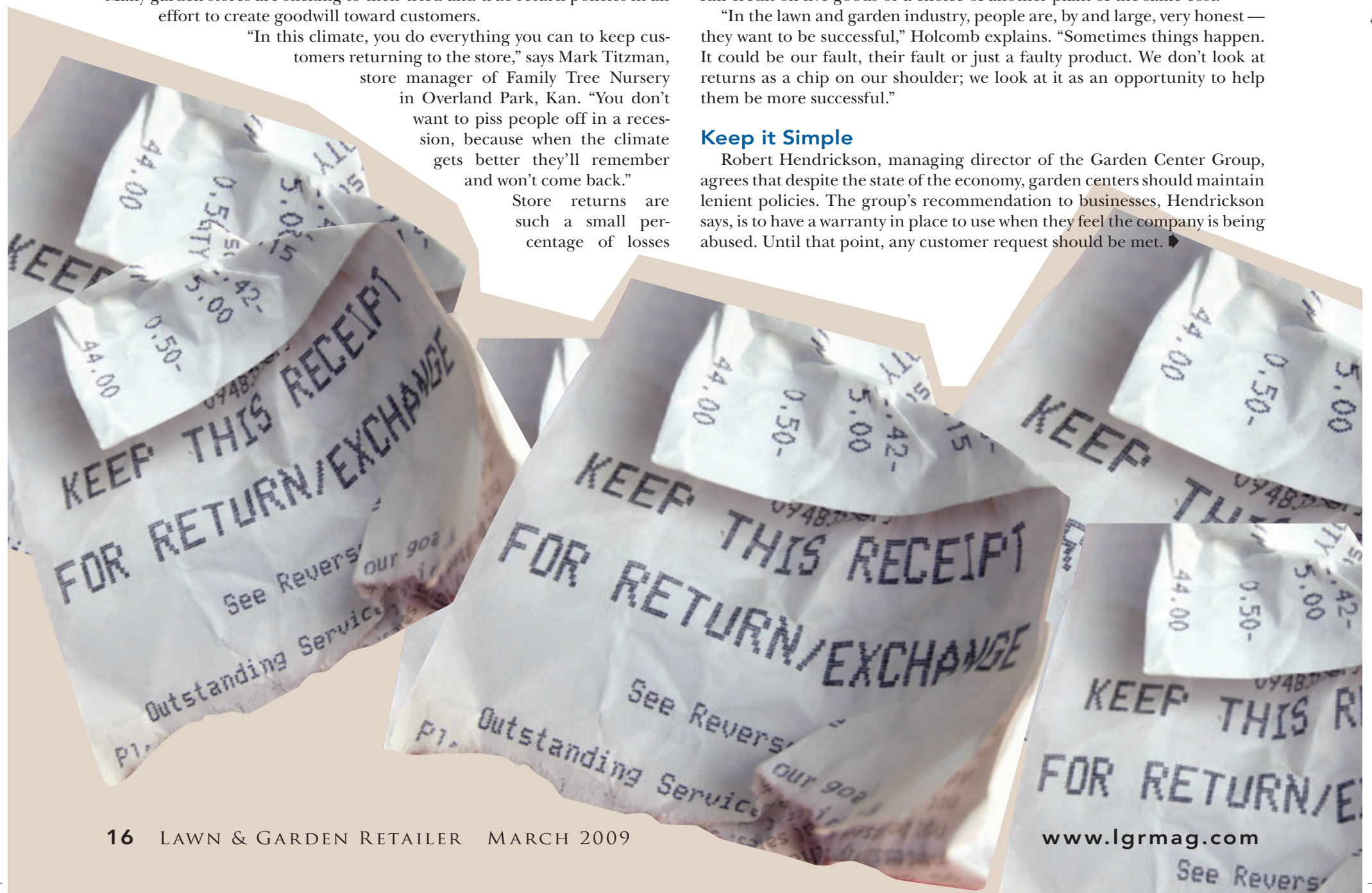
Store returns are such a small percentage of losses

that there's no use alienating customers because of it, according to Tim Holcomb, owner and manager of Holcomb Garden Center in Hixson, Tenn. The store's lenient return policy allows returns with a receipt on any hard good purchased, with no questions asked. They'll refund the item or give the customer store credit. The only instance in which they refuse a return is if the merchandise is no longer in stock or isn't saleable. The store also gives full credit on live goods or a choice of another plant of the same cost.

"In the lawn and garden industry, people are, by and large, very honest — they want to be successful," Holcomb explains. "Sometimes things happen. It could be our fault, their fault or just a faulty product. We don't look at returns as a chip on our shoulder; we look at it as an opportunity to help them be more successful."

Keep it Simple

Robert Hendrickson, managing director of the Garden Center Group, agrees that despite the state of the economy, garden centers should maintain lenient policies. The group's recommendation to businesses, Hendrickson says, is to have a warranty in place to use when they feel the company is being abused. Until that point, any customer request should be met. ▶



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Whether they got an unwanted gift or have a bad case of buyer's remorse, customer satisfaction could hinge on your store having a reasonable return policy.

The Garden Center Group's approach is one they've used for many years. It's simple, which makes it easy for the business and customers to understand. "The more details you give, the more people want to make exceptions," says Hendrickson. "We just take out all the 'buts.'" The benefit of this approach, according to Hendrickson, is that instead of worrying about a small percentage of their business, retailers can take care of their customers.

This is exactly how Hillermann Nursery & Garden Center owner Scott Hillermann runs his Washington, Mo.-based store. His policy is also simple: There's a 30-day return window on merchandise if the customer has the receipt, and a 30-day period on trees and shrubs that account for buyer's remorse. He offers a one-year warranty on trees and shrubs, and will replace those at cost or give store credit. All sale items are final for anything 50 percent off or more. Perennials and roses have a 90-day warranty.

"I've found that people get upset if we are too stringent on the rules, so we bend them sometimes, depending on the customer," Hillermann says.

Clarity Rules

Even stores that have strict return policies, though, are choosing to keep them in place. Mike Davis, manager at East Bay Nursery in San Francisco, says employees at the store can bend the rules based on the individual situation, but in general, the store will take back live goods within only a week, provided the plant is in good condition. "We feel we're up front with our customers, and there's no gray area about our return policies."

Still, other garden centers, such as Louie's Nursery in Riverside, Calif., are keeping their relaxed return policies but charge restocking fees for special-order items. According to buyer and manager Mary Kannor, Louie's has a 90-day guarantee with receipt that includes everything but seasonal and bedding plants. They'll even take chemicals and giftware back beyond the 90-day limit if needed. However, if a customer tries to return a specialized item Louie's doesn't carry, they'll charge a 20 percent restocking fee. Kannor says situations like those are rare; in fact, she can't remember the last time the store charged a restocking fee.

No Exchange

In the end, it all comes down to making the customer happy. A happy customer makes for a recession-proof business.

"We're not going to give the store away, but we don't want to put a burden on our customers," Hillermann says. "If we keep them happy, then we know they'll refer other people to us in the future that will keep our business alive."

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