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Tree Fruit Field Guide

Posted by Michael Phillips Forum List Message List New Topic Michael Phillips

Tree Fruit Field Guide

January 30, 2017 08:20PM

Moderator

Registered: 11 years ago

Registered: 11 years ago

Posts: 621

Quick opinion survey, please. One of the books offered on the Bookshelf at the network website is the Tree Fruit Field Guide put together by researchers in the Northeast. This is the only visual guide to pests and diseases in print of which I am aware. We sell it for \$34 which is less than the suggested retail price of \$38. But now because of the ridiculous price structure of a college bureaucracy that can't even imagine what it means to be honestly competitive in this life... the costs to purchase this book at its new wholesale price, have it shipped here, package that order, and then ship it out will be nearly \$34. As in zero net earnings. Even charging the full retail price won't justify the effort if I value my time when it comes to filling a single book order.

All this is hard. The idea behind selling orchard books is to help finance network efforts. Truth is while many might check out the recommendations . . . the sale more often than not goes to Amazon. The Tree Fruit Field Guide is one of the few books you cannot order from that behemoth sucking bookshelf and thus has been a somewhat helpful loss leader for the cause.

But eventually a guy really gets frustrated by it all. What say you? Should we continue to carry the *Tree Fruit Field Guide*?

Lost Nation Orchard Zone 4b in New Hampshire Reply Quote Paul Weir Re: Tree Fruit Field Guide

Hi Michael.

Posts: 187 January 31, 2017 08:30AM

\$45 per copy, knowing the extra cost is helping with the S&H and a small profit towards the HON overhead.

Cheers my friend!

Paul

Gopher Hill Apples Zone 8 in California Reply Quote **Todd Parlo**

Registered: 10 years ago Re: Tree Fruit Field Guide January 31, 2017 08:57PM

I think the loss leader concept works in one case only- when it leads to other sales, presumably of a more lucrative nature. I cannot see how this would ever apply here. We have a few items on sale online and locally that make us a few bucks a sale, and this is generally to flesh things out. That is, like the booth at the farmer's market, if you do not have a critical mass, no one stays long.

Books are no different than every other darned thing we have in commerce. This is an age old battle, and one unfortunately where price reins supreme. My opinion is that the decision for where we spend our money is based on 1. price, 2. ethics/philosophy, 3. convenience. Someone wanting to support a small farm or independent bookstore will do so routinely because they value those entities, almost entirely independent of the item itself. The evidence is that some people always, and most of us usually, will side with low price. I think it doesn't matter if that is a cider book, or a green bean. In this particular case, the book is not offered for less (at least I couldn't find it, most sites were 38.00, amazon was around 90.00). So those who really want it will pay the 45 bones that Paul suggested. Others simply won't pay that much for any book, despite their happiness to pay 14.00 for a cheeseburger. I have sold almost no books online over the last 3 years of having them, even with free shipping, I have no doubt due to amazon.com. I have sold plenty of them locally (reason 3. convenience...really spur of the moment madness).

This does, of course leave out the discussion of exactly how much it costs to produce it or any book like this, in bulk. I am looking at it now (smugly I can say, as I purchased it through the group, and with fantastic customer service I might add), and it has a lot of nice quality photos.

Reply Quote carter holliday Re: Tree Fruit Field Guide January 31, 2017 10:48PM

Registered: 6 years ago

Tree Fruit Field Guide
Posts: 2

Hi Micheal..

I understand your pain! I purchased that guide from you 3 or 4 years ago. I really got to use it this last year. I finally had trees that were big enough that the bugs were interested in. I must admit I felt it was a little pricey at the time but not now. I see the value in this well-crafted field guide. I think the 45.00 is a fair price.

I'll be buying another book soon to help the cause.

Reply Quote

Peter Topping

Registered: 7 years ago

Posts: 8

Re: Tree Fruit Field Guide January 31, 2017 11:08PM

The internet is really a rather unfriendly place to make sales these days because of the abundance of establishments selling the same item and the used markets like eBay.

Let's break it down with a hypothetical book and market. Brand new and unique this book is retailed for \$40. For a while this item sells at it's full value because it is genuinely useful and there is not much competition. Suppose there are 10 dealers and the average interest in this book is 100 purchases per month. Each dealer sells about 10 books a month. Everyone is more or less happy with their share of sales.

However, as time goes by more and more middle men begin selling the item because it is recognized as a profitable book. We increase from 10 dealers to 50 dealers but the interest in the book holds steady at 100 purchases a month across the board. Now each dealer is only selling 2 books. It may still be worth holding a stock but the return on investment is much slower. Even if there was increased interest in the book and sales increased by 100% (to 200 books a month) each retailer would only be selling 4 books which is still less than the 10 they started out with.

Because there are now 50 sellers fighting for sales they begin wondering how they can "out bid" all the others and increase their share of the monthly sales. One of the most intuitive (and most damaging) thoughts is that you will make more sales by under-cutting the other guys. Instead of selling for \$40 you sell for \$39. Sure you lose a dollar on every sale but you maintain the idea that you'll increase your sales. 4 books at \$40 (\$160) generates less monthly profit than 10 books at \$39 (\$390). This works quite well. Particularly on the internet where you can compare 100 stores in the blink of an eye people will hunt for a bargain. Great for a savvy shopper, bad for businesses. Why? Because instant feedback creates a vicious cycle among sellers. 50 sellers all scrambling for their chair at the table can break all the chairs in the struggle. You can undercut another store by dropping prices to \$39. They might drop to \$38. Another store might drop to \$35. You might look at the market now and ponder if the book is still worth selling. You buy wholesale at \$30 and other retailers are selling for \$31. Most people think you have two options here (a third option will be presented later).

Option A.

You decide to drop your sell price to your buying price or even less. This item becomes a loss-leader where you break even or even lose money on an item in an attempt to bring in customers. However, this only works in scenarios where you have a healthy chance of increasing sales of a more profitable item or service. If you know people who buy this book will buy a companion book and the profit margins on that companion book are quite large it might make sense to take a loss on this book if you are assured you can make up the difference and then some on the companion sale. Remember the sale of the second item now must be valued such that it covers the costs of itself as well as the items you have been selling at a loss.

Option B.

You stop selling the book.

Option A can be risky if you don't have a strong correlation between the loss-leader and a second product or service being sold. You'd have to collect your own data and evaluate if it is a profitable venture to continue selling the book at a loss. Option B might be your best bet if you find there is no value to your business by selling this product.

I promised an option C didn't I? Okay! You've strong armed me into writing a couple more chapters on this topic! Let's consider another option!

Option C

You're a savvy gal or guy and you know that you can't win this game. Only one person gets to be the lucky individual with the purchasing power to buy at the lowest bulk prices, has the storage to maintain that kind of inventory and has the marketing prowess to underbid everyone else and still make a profit (in many cases this might be a large corporation like Amazon). That isn't you and you know it so why try it?

Enter Option C. You don't drop your prices. You sell at an acceptable margin for your business. Instead of lowering the value of your product into the abyss like all of the other retailers out there you're going to play a different game, you're going to add value. Instead of selling the product you sell yourself. You set yourself apart not by price but by service. While all the other guys are too busy to provide quality customers service because they are selling large quantities at a loss you're making sure every customer is satisfied and then some.

When someone buys a book don't just send them a book. Send them a thank you note with contact information on it when you ship out their book. Print out and laminate bookmarks with useful tips on it like quick references relevant to the book topic or perhaps suggestions

for similar books or sources for materials. Think about what you would find useful if you were the customer buying this book for the first time and try to provide that. It doesn't have to cost a fortune. It could be a half sheet of paper you printed at home. I love that this principal is already being put into effect on this website in the form of autographed books. Signing the book adds value to purchasing from the web store rather than on Amazon or eBay and it doesn't cost Michael but a moment and penny or two for the ink.

The simple idea is that you're adding something of value to the product through your service instead of merely lowering your prices for the product. This way you're not engaging in the losing game of slashing your prices. Sure, this wont work with every product and in every market but that has to be evaluated on a case by case basis. I'm just offering thoughts that might help invoke some discussion and assist someone in evaluating alternative options.

There is a lot more to be said about this topic. I'm sure many an individual has written a book on it already. I haven't even touched on the problem of buying used books or when the warehouse begins selling retail on top of wholesale. Used books bring the price even lower because most individuals selling used are not trying to profit. That \$40 book selling for \$30 wholesale might be selling in sufficient volumes at 10\$ on the used market to destroy the retail value of the book. Perhaps the manufacturer might decide to start selling on Amazon. Their margins are even better than retailers because they cut out the middle man so they can undercut everyone in the retail world and sell that same book at \$29. As a retailer you wouldn't be able to compete.

The real winner here is the entity that owns and produces the books to begin with. They'll get their piece of the pie regardless of if a retailer is profitable or not. Producing your own product is perhaps the best way to ensure your share of the pie but that is a topic for another day.

With all that said I'm not sure that selling at a loss here is a good idea. I would recommend option C. Without knowing anything about the back end of things I suspect most people purchase from here because they have ties to the community and not because the price is right. They want to support your efforts and appreciate the value you add (*The forums, the community, the sharing of knowledge*).

Zone 5b in Michigan
Reply Quote
Michael Phillips
Re: Tree Fruit Field Guide
February 01, 2017 03:12AM

Moderator Registered: 11 years ago

Posts: 621

Wow. If we had this sort of in-depth contributions about orchard topics all the time, this forum would be one happening place!

I reordered more of the *Tree Fruit Field Guide* and will be selling copies from here on in on the **GOA Bookshelf** for \$40. This is truly the most useful identification guide going that's in print. Helping community orchardists grow healthy fruit meets an entirely different network goal. But at least costs will be covered.

Now let me change the subject entirely (which I can do, knowing the coordinator as well as I do). Making a go of selling books calls for incredible creativity when going up against Amazon and publisher discounts. I've put my all into a <u>fungal bonus</u> being offered to entice folks to order <u>Mycorrhizal Planet</u> directly from me. What say you now? A grassroots economy like this benefits everyone involved. Check out this important next book and get in on these great biological deals!

So says the pitch man.

Lost Nation Orchard
Zone 4b in New Hampshire
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