

The Seasonal Pricing Puzzle: A Longitudinal Case Study Examining Value-Based Pricing in Seasonal Service

Ashley Kilburn, University of Tennessee Martin

Brandon Kilburn, University of Tennessee Martin

Denise Williams, University of Tennessee Martin

ABSTRACT

This case study is a two-year analysis of a seasonal pumpkin décor delivery service. The case study identifies a critical year-one error in value-based pricing strategy, with corrective value-based pricing implemented in year two. Resulting retention rates, price preferences, as well as qualitative customer feedback provide valuable insights for serving customers in a specialized, seasonal pumpkin décor market. Specifically, target market analysis, value perception, strategically partnering with philanthropic organization, and the pricing of seasonal services are discussed. Data are presented to provide detail regarding pricing information sources, as well as market reactions to pricing strategy.

Key takeaways for seasonal, small business service providers include assessing customer value perceptions, the effectiveness of limited test markets, value-based seasonal pricing, sustainability efforts with post-purchase/removal services, seamless and contactless delivery and the value of hands-free consumption, streamlined scheduling, as well as customer acquisition and retention considerations. Strategic implications and future considerations for seasonal service providers are offered. Small, seasonal concierge businesses are shown to benefit from both large and small quantity options where value is high.

The case illustrates how efficiency and time savings with low touch from clients (e.g., seasonal display removal, reuse of produce for the benefit of animals) boosts sales. It also highlights improvement on reach, customer awareness and engagement when a small business donates proceeds to a charitable/philanthropic organization. Strategic partnerships such as these helps the community involvement. Indirectly, there was an increase in purchases and customer conversion rates, specifically within the low value segment.

INTRODUCTION

This case study centers around an autumnal pumpkin porch décor concierge service launched in Fall 2024 serving a regional center city (pop. 65,000+) located in the southeastern US. After local farmers yielded an abundance of pumpkins, they serendipitously started the produce concierge service business to provide hands-free

delivery, setup and haul-away of porch pumpkin décor. Simultaneously, a viral sensation touting the success of seasonal décor produce delivery service was sweeping across the porches of America. People Magazine featured a Texas mom whose porch pumpkin business had grown to over 1,000 orders in just a few years (Senanayake, 2024). With an abundance of supply and no local providers with delivery/concierge service like the one in Texas, the local farmers seized the opportunity and launched their own pumpkin venture.

To begin building a client base and spread positive word of mouth while collecting valuable insight, the year one launch was initially intended to be limited to three demo homes. The intention was to test the market with a limited roll-out and leverage customer feedback and information for full roll-out in year two. These three demo homes were identified in various established, family-friendly, affluent neighborhoods whose owners were excitedly willing to participate in exchange for their complimentary, elaborate fall pumpkin porch displays. Ideally, the business felt it could collect necessary information needed to fully launch the following year with market identification, pumpkin growing, prep and preservation methods impacting durability and produce life span, delivery/logistical bottlenecks, aesthetic trends, and local competitor activity.

In early October of year one, the business became Instagram-official, displaying the decorated porches of the demo homes, along with how-to reels demonstrating pumpkin hydro-dipping, customized hand painting techniques, and instructions on preservation and care. As stated previously, the goal was to spread the word, gain followers, collect likes, and be set on “go” to fully launch year two. Fortunately, that goal was demonstratively exceeded, and the follows led to DMs and texts from potential clients whose homes eagerly awaited to celebrate Fall. With an excess inventory of produce and interested homes, the business went from a field of pumpkins to delivery and setup on multiple porches in a matter of a few days, all without the benefit of formal market assessment and data collection. Soft launch/demo transformed into full steam ahead. Well-received were the designs, the produce packages, the concierge service with delivery and set up of detailed, customizable, hand-painted spirit pumpkins celebrating kids’ schools or colleges, and elaborate porch designs. There was just one big question asked by customers, “What do you charge?” This case study aims to explore one significant pricing oversight in year one, the repercussions of variable value perceptions and pricing adjustment in year two, as well as insights for the future.

Problem Statement in Value-Based Price Setting

Value-based pricing is a good strategy for unique or highly customizable services because it reflects the customer’s perceptions of what that service is worth (Stobierski, 2022). However, a key to maximizing profits under value-based pricing is to critically ascertain any variability in value perception across desired markets. High-end, specialized service providers need to be able to provide information and set a price to maintain exclusivity and maximize desirability for clients interested in the specialized boutique offering (Decima, 2024). During year one, the startup offered only two packages with prices set using the following sources (1) indirect competitive pricing

(other produce concierge services in two other states, as well as a major city within state), (2) comparable undelivered produce reference pricing (local farms, big box stores), (3) informal “what would you pay?” feedback from demo homeowners and friends who fell into either High or Low-Value groups, as well as (4) cost basis (delivery costs/mileage, farming expenses, prep costs, labor). As a result, Table 1 contains the 4-source feedback.

Table 1. Price/Source Information Year 1

	Small Package	Large Package
	10 Large Produce Pieces	30-50 Large Produce Pieces
Source 1	\$350	\$1,350
Source 2	\$200-\$350	\$600-\$1,000
Source 3 High Value	\$250	\$500
Source 3 Low Value	\$75-\$100	\$150-\$250
Source 4 (Costs) (all clients between 20-30 miles)	(\$68)	(\$133-\$189)
Price Year 1	--	\$350

Source 3 qualitative, informal feedback revealed several consistencies across homeowners and friends. All responded that the importance and convenience of concierge service (delivery, setup, hands-free) as main value-added component. All also felt that the unique aesthetic of the local produce varieties offered by the business were inimitable. The bespoke aesthetic of the produce, a preference for the heirloom varieties of pumpkins offered by the local business in colors of pale blue, blush and white offered homeowners a unique look for their homes that neighbors could not easily source or replicate. Homeowners all also mentioned their affinity for supporting local growers, with an appreciation for the produces’ quality and freshness.

However, moving past those commonalities, a significant difference in value perception amongst Source 3 emerged. Two homeowner groups differed strikingly on the value they assigned to seasonal décor (1) high assigned value to the seasonal service, and (2) low assigned value to the seasonal service. The result of difference in value of seasonal décor resulted in significantly different assessments of suggested price.

High value can be summarized as homeowners who were historically full of autumn spirit and had long since decorated for the season. This group often mentioned, “I have to have this; I’m hosting Halloween/Thanksgiving, and I want my home to

sparkle!” or “I’ve seen this on Insta, and I would love to have my home look great for fall.” These customers had a realistic idea of how much it costs to purchase fall produce and décor as their involvement and past purchase experience was high. They also have experience handling produce and caring for their décor. The high value customer group also seemed to have the most significant appreciation for the hands-free concierge component of the service they had traditionally shouldered. Their own past purchase patterns and DIY experiences allowed them to understand the labor and time needed to complete the job. They mentioned their appreciation of the labor and work involved in the setup, the display of creativity, and the opportunity to make their homes seasonal without having to bear the weight of transportation and setup burden themselves.

The high value market could be divided into two produce volume groups of large and small. Large package, high value customers appreciate superfluous, noticeable, bountiful porch displays containing 30-50 large pumpkins with seasonal décor. These customers had the highest purchase experience level, are focused on the public or neighborhood impact of their porch and appreciate the opportunity to have the concierge delivery convenience. Conversely, the high value, small package market appreciated the bespoke varieties of pumpkins and detailed display, but for functional reasons (e.g., age of homeowner, limited porch space, early winter holiday decorations) limit their displays in size, preferring the small package of 10-15 pumpkins. Though the high value market differs on size of package preference, it does not differ on price sensitivity, with each being relatively elastic and insensitive to total price.

The low value homeowner group had an ambivalent perception of fall décor in general (e.g., typically minimally decorated for Fall, located in an area without many visitors, or simply not home much in the Fall), mentioning: “Wow, some folks really get into decorating for fall, I’ve never done anything past carving a few pumpkins.” “I would love to try that someday; it looks awesome! If only I had the time.” Note that the Low-Value homeowners also mentioned being only willing to pay perhaps \$75-\$100 for 10 pieces of produce (Table 1). It was noted that involvement in this homeowner group was low. Their experience was limited. As a result, these homeowners hadn’t thought much about using a service like this and/or had little reference price information. Low value would not be considered a viable segment if it weren’t willing to pay more than their perceived price of \$75-\$100, which is below or at cost.

Year 1 Performance

The business created a new profile on Instagram, posting pictures of the decorated demo houses, which also had comments from satisfied homeowners and, within a few days, garnered 130 followers. Year one was to be a test market year with three demo houses. The decision was made in year one to split the difference on reference price between the high and low value groups and offer only one large produce package at \$350 to satisfy both markets. The assumption was that both customer groups (low-value, large package and high-value, small package) could be priced and treated the same. Results on conversion and sales per market and total revenue at Large Package only, \$350 can be found in Table 2.

Table 2. Conversion Rates and Sales Per Market Year 1

	High Value Market	Low Value Market
Customer Contact (DM)	15	5
Number of Clients Served	5	0
Conversion Rate/Contact	33.33%	0%
Total Revenue	\$1,750	\$0

The key oversight of year one, as illustrated in Table 2, was in confusing the low-value homeowner with the high value, small package homeowner, simply because each felt they could potentially spend approximately the same amount. This mistake was critical in price-setting and affected market interest, growth, engagement, and market share. Confusing High-value/Small Package clients with Low-Value homeowners was the pain point for this startup. The startup chose not to offer the small package option, focusing solely on the large package, featuring 40-50 pumpkins, priced at \$350.

Key Takeaways Year One

Before setting a price and package, approximately 20 direct messages were received inquiring about the service, expressing interest, and/or asking for pricing information. Once the price and package description were posted, only five interested customers (25% total) of those messaged ultimately purchased the \$350 package. Comprehensively, that's a mere 3.8% conversion rate of Instagram followers-clients.

There was a geographic clustering of inquiries within neighborhoods inquired and/or purchased, with 2/5 homes outside the demo neighborhoods. Most messages came in after 9 PM, indicating that working professionals with busy workdays reserve considerations such as these for late evening. Two DMs said they were sure they wanted to purchase the service but did not schedule a delivery time. Both customers ultimately did not purchase, indicating that it's a one-time setup and purchase decision for most. Customers at all sites have reported being satisfied, sharing pictures of the produce from Thanksgiving and remarking on how healthy the pumpkins remained for those two months. They have each mentioned that they are interested in re-purchasing year two.

To fully understand whether there is variability in perceived value amongst customers to provide price points for every level of value perception in a desired market, year two will introduce smaller packages with lower price points. Research on value perceptions for seasonal décor services are not as well-researched as those of other seasonal products. Neglecting a sizeable portion of the market that assigned a high value to the service but did not need a large quantity meant that the value-based pricing strategy was only for high-value, large-package customers. An emphasis on small package clients will be stressed in year two.

The key takeaways from year one should help boost year two sales with key lessons learned. *Make room for lower-volume segments with seasonal services, especially those seasons with promising growth projections.* The small package/High-Value market can be profitable if deliveries can be batched, thus decreasing mileage and delivery costs. An online scheduling system with four delivery days across the first two weeks of October will be employed to maximize delivery efficiency while allowing sufficient prep time in between. Some sincere homeowners did desire the service; they just needed a small quantity.

The service might have better reach, visibility, and engagement linked to a charitable endeavor or strategic philanthropic partnership. There was a common thread among year-one clients who preferred hand-painted, customized porch produce. Clients could request one hand-painted spirit item to be integrated into their display (e.g., kids' school logo, college sports logo, etc.). Year two will attempt to partner with a local school or sports team to aid in delivery and share in profits and, by so doing, be able to streamline a particular school's logo onto spirit produce.

Homeowners may or may not know to consider all aspects of their selections, but they still need to be happy. A 5,000 ft² home can have 40 pumpkins and still present as low-key and not very noticeable. That might be a problem for someone who wants to make a statement or take family Thanksgiving pictures on their porch. Conversely, some homes, no matter how large their size, may have a small front porch with only one step, making it perfect for 10-12 pumpkins. With a boutique décor concierge service, it is vital that each homeowner has an opportunity to either purchase a package with 1-click or design their own should they wish. Pictures help, and the more developed the Instagram page, the more customers can see examples of what they like on porches similar to their own. Get creative on design to stretch the impact works no matter the volume. Year one taught a key lesson that vertical display height is as valuable, if not more so, than quantity. A 10-pumpkin, small package stacked or arranged vertically can make a charming Insta statement. Small packages are also easier to maintain and dispose of. Including the small package option should increase the conversion rate seen in year one across both high and low value markets.

Consumer behavior decision-making stretches through disposal. Customers may have disposal limitations, so partnering with local farmers who would like to feed livestock with the pumpkins would be a significant value-add, a setup-and-forget arrangement, which would increase the convenience of the service on the back end, all the while feeding animals in the local community. Customers were unflinchingly appreciative of the hands-free component of the service. Moreover, clients preferred scheduling delivery while they were at work or otherwise engaged to arrive at their display and be delighted without having been the one to load, unload, etc.

The blind adaptation of services that have proven successful in large, metropolitan areas to more rural communities might best be accomplished in tight-knit, income appropriate neighborhoods. High-volume delivery services can best be replicated in smaller or more rural cities within well-developed subdivisions. Services can benefit from logistical efficiencies, positive word-of-mouth, exposure, and customer

referrals in a neighborhood. The service provider can realize faster delivery times and efficiencies and improve market development when neighbors are engaged and connected.

Finally, for the provider specializing in a high-end, boutique concierge service, it is essential to understand perceptions of value to accurately project market potential fully. Critically examining the meaning of High Value vs. Low-Value homeowners is necessary for any boutique home concierge service. Delineating between a Low-Value homeowner and a High-Value homeowner who needs or desires a small-scale display is critical. The market potential for small-package High Value is promising, whereas interest from Low Value would likely wither regardless of price.

Moving forward to Year Two, feedback from those who messaged and then lost interest when they learned the price indicated that they simply didn't need/want so many pumpkins. It is essential to recognize that homeowners who DM are likely High Value as they already appreciate the seasonal service or aspire to accomplish the look for their home, are not price sensitive, yet they may desire a small package. Year two will use value-based pricing again, but in a definitive pivot, expand beyond high-value, large packages to recognize and serve the high-value, small package segment. Instead of ignoring Small Packages, the service provider will highlight the offering of both large and small quantity packages, allowing homeowners to determine if their porch warrants a large or small quantity. This pricing strategy, partnered with streamlined delivery dates, will create an opportunity to grow the market share of the local service provider.

Year 2 Performance

Year two of the concierge pumpkin porch décor business came with significant changes in package design and pricing based on year one results. Maintaining its social media presence, the business expanded to 181 followers, a 38% increase from year one. Year two pricing aimed to serve porches with both large-scale as well as small-scale needs pricing at \$55 (interior fall décor produce tray), with \$95, \$175 and \$325 for small, medium and large portions, respectively of outdoor porch produce. Another significant change was the philanthropic partnership with a nationally recognized charitable organization where a portion of each sale was donated. Results on conversion and sales per market and total revenue can be found in Table 3.

Table 3

Conversion Rates and Sales Per Market Year 2

	High Value Market	Low Value Market
Customer Contact (DM)	30	15
Number of Clients Serviced	18	15
Conversion Rate/Contact	60%	100%
Total Revenue	\$4,950	\$920

Key Takeaways Year Two

Pricing information for year two was published once the pumpkins had been harvested mid-September. Retention of year one customers was 100%, which is a notable accomplishment. All year one customers requested the same package/service for year two. The year two pricing information included key changes where smaller packages were priced at \$95, the introduction of a medium package priced at \$150 and the decrease of the large package priced at \$325 where specialized, hand-painted pumpkins could be added a la carte. DMs from interested homes converted at 90% in year two. A marked improvement from year one conversion, hinting at price and package size appropriateness. One client gifted a surprise porch to a family member, which was a new development and great idea for the future.

Low demand for medium-sized option. There was only one client who purchased the medium package, indicating that clients predominantly want either a little or a lot. Moving forward, it might be easier to offer a small package and large package only, allowing the decision to be made easier and quicker. Several customers mentioned appreciating the medium option, but realized they would rather go ahead with the larger option. It seemed to have provided a comparative gateway for upselling, allowing the customers to maximize their value with the larger package. This customer feedback seems to indicate that the value is in the excess; the bountiful display is key for purchasers.

Efficiency, time savings and streamlining services optimizes outcomes. The small package/High-Value market was efficiently served and profitable since deliveries were batched and had quick setup times. Furthermore, orders were streamlined into a 2-week delivery window. Not only did that help to ensure delivery quality and freshness, but it also created delivery efficiencies within neighborhoods.

Improvement on reach, visibility, and engagement having linked to a charitable/philanthropic partnership. Year two saw the strategic partnership with a nationally recognized philanthropic organization. Recognition of the cause was high, and the link between the joy of decorating for fall while donating to the organization created the opportunity for increased purchases and higher conversion rates, specifically within the low value segment. It seems that the strategic link to the charitable organization boosted the value perception. Year two experienced a stock-out, selling out of produce inventory and having to form a waitlist for year three.

Customization matters. There was a common thread carried forward from year-one clients who preferred hand-painted, customized pumpkins. Clients shared in school spirit and ordered individual spirit produce. The bespoke produce was shared within the community, as well as across states with parents sharing the customized décor with college students and family members.

Complimentary goods add value. Customized, curated interior options which were smaller in size, were hugely popular for the low-value market accounting for over

75% of sales in that segment. Homes without suitable porches, more time spent inside or little value assigned to elaborate outdoor displays presented the opportunity to celebrate the season in a smaller way. Customers view tablescape centerpiece options as a viable way to celebrate the season.

Strategic Considerations for the Future and Conclusions

Seasonal pricing research is somewhat limited. The Produce Marketing Guide (2024) emphasizes the popularity of organic produce during the autumn months with families focused on fresh, homegrown crops they can enjoy both inside and outside the home. The increase in purchase of locally curated produce as well as customizable options allows priority on specialized designs and arrangement of the seasonal décor. Given that potential customers in different geographic locations may have different price expectations, collecting data about price expectations and values placed on the services may help guide initial pricing decisions.

Another consideration moving forward relates to price elasticity and demand in a more strained economy. Examining external factors such as economic conditions can help to identify appropriate packages and prices for customer groups. Dutton (2026) explains that struggling families are choosing between a smaller variety of fresh vegetables for their dinner tables with affluent families being more selective on variety and quantity purchased. Since the seasonal décor business targets households interested in celebrating the fall season, varieties in package size/price can expand or contract, depending on budget and price sensitivity given a leaner economy.

The service in this case study sought to learn about clusters of locations that would be likely to have potential customers, to learn about potential customers and their perceptions of value regarding the service, and to collect data that would support pricing decisions. The case demonstrates the need for businesses such as this to intentionally learn more about customer value. The result being better decision-making on ways to reduce costs for smaller displays and to provide interior displays allowed them to offer services at lower price points. Moreover, the business was also able to improve the customer experience by offering more variety across customer value type.

Noting that clients value the seamless, frictionless experience, they sought ways to further reduce friction and add to customer satisfaction by seeking to have the produce later used to feed animals. Recognizing that many high value customers have busy schedules and finding ways to streamline the purchase decision is a lesson that others seeking to build concierge services and other differentiated businesses would be wise to learn. Decima (2024) outlines a strategic approach to seasonal demand management. The author suggests structured marketing promotion, understanding past year yield rates, as well as a 3–6-month campaign prior to peak season is suggested to help optimize supply and demand.

Key takeaways for this case study center around the value equation for a seasonal décor concierge service include effectiveness of limited test markets, sustainability efforts with post-purchase/removal services, seamless and contactless delivery, streamlined scheduling, variation in quantity or size of package allows for both

high and low value customer acquisition and retention. Adapting to market opportunities allows for limited and controlled ways to develop awareness for the service but be ready to pivot and be agile if unexpected prospects arise. Through the lens of a concierge pumpkin décor business, lessons included herein can apply to any business or service, but they may be especially useful for those who want to offer seasonal services.

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