



2020 Girl Scout Cookie Price Increase

Frequently Asked Questions

Why did Girl Scouts of Utah need to increase the cookie price?

To maintain and expand our high-quality programming and services for girls and adults, the price for cookies has been increased by \$1 to \$5 for core cookies and \$6 for specialty cookies (S'mores, Toffee-tastic). This price increase is based on high production costs from the bakery, requests for troop profits, and increased expenses to provide outstanding girl programming.

The cookie price was raised 5 years ago, why raise it again?

After careful consideration, reviewing and planning, the council decided that the 2020 Girl Scout Cookie season was the optimal time to make the increase in conjunction with the release of a new Girl Scout Cookie. Historical data shows that when a price increase is introduced with the release of a new Girl Scout Cookie, the possible decrease in sales can be offset by the excitement of the new cookie.

We expect the Cookie Program to continue to be successful in 2020 and beyond.

Why was the price increased by \$1?

Looking at national cookie trends, and consulting with industry experts, it was the recommendation to increase by \$1 to stay in alignment with national Girl Scout Cookie pricing and avoid multiple price increases in the future.

How are we supposed to charge someone \$5 for a box of cookies? They could get cookies for much less at Walmart!

Remember- this is not a "value of goods" based pricing model. Our customers understand they are supporting Girl Scouts. On average, 30% of customers have a Girl Scout affiliation. Girls are learning 5 Key Skills (Goal Setting, Decision Making, Money Management, People Skills, and Business Ethics) and can tell the customer their cookie plans - encourage the girls to share when a consumer approaches them.

In a recent national survey of Girl Scout cookie customers specifically, most customers responded that they did not remember what they paid for a box of cookies from year to year, and many already assume it was \$5, even if it was not.

How does a retail price increase mirror a common business decision, and how can this be communicated to girls?

The main focus of the Girl Scout Cookie Program is to teach girls five skills essential to leadership, success and life: goal setting, decision making, money management, people skills and business ethics. To best communicate the price increase to girls, it can be presented as a business lesson; a common practice that takes place in business to ensure financial sustainability. By explaining the reasons behind why the decision was made at the council level including inflation to increase the retail price along with the full picture of the return benefits in terms of proceeds and rewards, girls can further their money management for the 2020 cookie sale through informed goal setting and decision making of their own.

Will Girl Scout troops see an increase in proceeds as a result of the retail price increase?

With the price increase, girls and their troops will be able to earn more funds to power their Girl Scout experience. Troops can expect to receive \$0.50 for each box sold next year. And this is outside of our new Service Unit proceeds.

What does this mean for service units?

As an added benefit, Service Units will also receive a share of the proceeds at \$0.05 /box. This is on top of what the troops receive and will provide Service Units with funds that they can use to serve the girls and volunteers in their region. These critical funds can be used towards any support initiatives for the members of each Service Unit from funding day camps to providing start-up money for new troop leaders to Service Unit-sponsored events and more.

Why don't the troops get all or most of the funds from the Cookie Program?

After the council has paid the baker for Girl Scout Cookies, revenue generated through the program provides troop and service unit proceeds, girl rewards, and the remainder of the proceeds go to support expenses associated with services and programs for girls and volunteers, and the operation of the council.

What does the council do with its part of the Girl Scout Cookie proceeds?

The portion of funds not given as proceeds to the troops and service units covers a variety of program-related expenses, including: the direct cost of the cookies themselves from Little Brownie Bakers (this cost encompasses making the cookies, transportation and warehousing, cookie program materials, eBudde, Digital Cookie, etc.); girl rewards, recognitions and celebrations; product sales volunteer training and council staffing. After

covering these program costs, the remaining funds are critical towards maintenance and improvements at our Girl Scout camps, providing quality girl programming and adult learning opportunities, enhanced technology and staff to provide support to all members, general membership resources, and so much more. And it's important to remember that aside from the direct cost of the cookies, 100% of the proceeds from the Cookie Program stay within our council, GSUSA does not receive funding from the council cookie program.

How are other councils pricing their cookies?

Every council is different and has different pricing structures based on their operating budgets. Girl Scouts of Utah will join 76% of councils with cookie prices at \$5 for core cookies and \$6 for specialty cookies (S'mores, Toffee-tastic). Other councils surrounding Utah are also adopting these new cookie prices for the 2020 cookie season.

Why are S'mores and Toffee-tastic specialty cookies priced at \$6?

Our two specialty flavors cost more to produce, so the bakery charges us more for those cookies – more than double the cost than the core flavors.

- Gluten free Toffee-tastic price includes: Special food safety testing protocols of the production line and the product, and higher-priced, specially-sourced ingredients. Third-party gluten-free certification.
- Girl Scout S'mores price includes: Natural, organic and non-GMO ingredients are higher-priced, specially-sourced around the world. Natural flavors require twice the recipe quantity to deliver same flavor intensity consumers expect. And special storage conditions to extend shelf life.

Girl Scouts of Utah joins 63% of councils at the \$6 specialty price point.

How will the general public find out about the retail price increase?

The general public will receive typical Girl Scout Cookie Program information as they have in the past through print and online articles, radio and TV features, public service announcements, and more as we get closer to the launch of next year's program. As always, we will bring awareness to our Girl Scout Cookies through advertising, digital promotions and media coverage to further support girls' efforts and promote the many benefits of the program. Though the price will be included in the announcements and we will openly discuss it, it will not be the focus as more interest will likely be on the new cookie, our ever-improving Digital Cookie and other incentives.

Do we have to sell at the established retail price?

All Girl Scout Cookie Program participants must abide by our council's established retail price of \$5 for the core cookies (Do-Si-Dos, Samoas, Tagalongs, Thin Mints, Trefoils and the NEW Lemon-Ups) and \$6/box for premium cookies (all natural S'mores and gluten-

free Toffee-tastic). This is a great example of business ethics because by selling at the retail price, which is established to benefit all girls in our council, girls build trust with consumers by reinforcing what they may have encountered in terms of Girl Scout Cookie Program promotions or advertising – all information which will include the established retail price. Additionally, selling at the established retail price ensures an even playing field, in terms of revenue, for all girls within our council participating in the Girl Scout Cookie Program.

Will this affect the amount of cookies in the box?

Absolutely not. The price increase is a council decision and has no bearing on the actual product. It's also important to note that, although the packaging itself has recently become smaller as a way to address environmental concerns and cut down on waste, the number of cookies has not changed.

Why is my support of this retail price increase important?

This retail price increase is a good thing and it should be shared in a positive manner. Statistics show that the price of cookies is not a negative factor in terms of revenue generated through the program; however, how the price increase is communicated will affect sales. Plus, there are so many positives like the fact that the girls and service units will see an increase in the funds they receive that will further aid them in their Girl Scout journey.

Our goals are to continue elevating the many positive benefits of the Girl Scout Cookie Program and increasing girl participation in 2020. With your support, we are confident that we can positively address the retail price increase and achieve these goals!

**Thank you for your continued support of Girl Scouts of Utah
through the Girl Scout Cookie Program!**

**If you have any questions regarding this announcement, please contact us at
(801) 265-8472 or email us at info@gsutah.org.**

We thank you for your continued support and dedication to Girl Scouts.