



Girl Scouts of Western New York Cookie Price Increase FAQ's

November 2022

Why did Girl Scouts of WNY 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 from \$5 to \$6. The price GSWNY pays our baker per package has increased. Distribution and storage expenses also have increased and are related to supply chain issues such as labor and fuel costs.
- We don't take any price increases lightly. Currently, the economic state of inflation is taking a toll on several industries and organizations. Due to the increasing costs of supplies, shipping and fuel, GSWNY has had to make a tough decision, like many other companies, to increase prices.
- Our shared mission at GSWNY is to build girls of courage, confidence and character who make the world a better place. Our cookie program supports this mission by giving girls hands-on experience in setting goals, running their own cookie businesses, and embarking on their lifelong leadership journeys.
- Girl Scouts, parents and volunteers have advocated for raising troop proceeds and the cookie price increase is an opportunity to achieve that. Additionally, many girls and volunteers receive financial aid to participate in Girl Scouts, and the cookie program is one way we help support those girls and adult volunteers.
- We hope that our customers realize that when they buy cookies, they are doing much more than purchasing a treat: they are inspiring generations of Entrepreneurs, promoting sisterhood, stewardship, and social impact, and investing in strong leaders for a better tomorrow.

Isn't this price increase making it harder for our Girl Scouts to sell cookies and earn funds?

- We understand the impact these changes may have, and we have plans to support success for Girl Scouts, troops, and our council. Here are some ways we are investing to support girls' success in this year's program:
 - **Troop proceeds:** For 2023, we are raising the base proceeds by 20% accordingly - to \$.90 per package from \$.75. Cadette, Senior, and Ambassador troops will still have the option to earn

- an additional \$0.13 per package, and if the troop's PGA is 350, they'll earn an additional \$.05 – making the total possibly earned to \$1.08 per package - that's up from \$.95.
- GSWNY subsidizes reduced-rate shipping. E-Commerce customers will pay only half shipping when they order 9 or more packages online.
 - It is possible that the increase in the price per package could impact the quantity of packages a customer may choose to purchase. The increase in troop proceeds per package will offset a decrease in the quantity of cookie packages sold by our Girl Scouts when it comes to earning troop proceeds. Girl Scout cookie recognitions have been set accordingly. In 2022 GSWNY Girl Scouts sold an average of 214 packages of cookies. Our initial order recognitions for 2023 have been kept at 180 and 190 to account for any potential drop in sales due to the cookie price increase.

We encourage GSWNY members to share any additional feedback for how we can best support Girl Scouts and volunteers through this change by contacting Customer Care at: customercare@gswny.org

Why doesn't GSWNY cut costs instead of raising the price of cookies?

- Our mission and purpose at GSWNY is to build courage, character and confidence in girls.
- Our customers and communities understand the rising costs of all goods and services, and the Girl Scout Cookie program provides the majority of annual revenue for our council.
- GSWNY uses these funds to support camps, programs, and girls and volunteers while carefully investing what is necessary to sustain the organization for decades to come.

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

- GSWNY will be issuing a press release on Thursday, November 3, 2022 to inform the general public. The general public will also receive typical Girl Scout Cookie Program information as they have in the past through print and online articles and radio and TV features.
- As always, we will bring awareness to our Girl Scout Cookie Program through advertising, digital promotions, and media coverage to further support girls' efforts and promote the program's many benefits.

What should we be telling our customers who complain that they could buy cookies for less somewhere else?

- 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). They 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, most responded that they needed to remember what they paid for a box of cookies from year to year.
- GSWNY's Customer Care Team is available to field inquiries from customers. You can feel free to direct feedback to: customercare@gswny.org or 1-888-837-6410.

Where does the Cookie Program money go?

- The \$6 cookie price per package is broken down into these categories: 1) cost of the cookie program (baker, technology); 2) direct Girl proceeds and recognitions and 3) investment in girls through member services.
- Up to 21% of the \$6 package price goes directly to Girl Scouts through earned recognitions and troop proceeds.
- 52% of the \$6 package price is invested in girls through member services. Why? Our members, troops, and Girl Scouts are part of an organization, and it takes money to support our 15,500 Girl Scouts and volunteers and to operate the organization.
- Funds from the cookie program help pay for members' services and infrastructure, which include camp and programs, property maintenance, forest management, staff, insurance, rent, utilities, information technology, volunteer screening, training and support, website, marketing, and investments in equity, including financial aid.
- 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 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 complete picture of the return benefits in terms of proceeds and rewards, girls can further their money management for the 2023 cookie program through informed goal setting and decision making of their own.

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 \$6. This is an excellent example of business ethics because by selling at the retail price, which is established to benefit all girls in our council, Girl Scouts 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 number 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 has recently become smaller 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 troops will see an increase in the funds they receive that will further aid them in their Girl Scout journey.
- We aim to continue elevating the many positive benefits of the Girl Scout Cookie Program and participation in Girl Scouts. With your support, we are confident that we can positively address the retail price increase and achieve these goals!