FOR THE NEW YEAR
Another New Year, another round of resolutions you may or may not keep? Not so fast.

This year, with the help of SAF Amelia Island speaker and trends expert Daniel Levine, we’ve done some of the hard work for you and narrowed your list to just three items — principles derived from big trends moving through the country (and the world).

The good news? Our list isn’t about introducing a new product or service. It’s about elevating what you already do well. Tweaking and updating your procedures to be even more effective.

And while making resolutions may sound cliché, the process of stepping away from your business to look at the big picture is anything but busy work, said Levine. In fact, doing so is critically important — the kind of thing that separates the best companies from the simply average.

“It’s good practice to step back and take a helicopter view of your business,” he said. “You have to ask yourself, ‘What’s working? What isn’t?’ But this isn’t something you should do once a year. You should do it throughout the year.”

And this year, there’s certainly a lot to consider. After all, 2015 ushered in strong consumer spending and very low gas prices — less than $40 a barrel in November. According to surveys of Society of American Florists members, 37 percent of florists saw increased sales on Valentine’s Day 2015 (even on a sometimes-tricky Friday holiday) and about 60 percent saw an uptick for Mother’s Day. All good news and signs that the New Year could be a healthy one, too.

But, of course, the New Year will bring challenges of its own — not the least of which is a Sunday Valentine’s Day coupled with a long holiday weekend (grrr!) — and many unknowns that are far outside of the control of industry members: the presidential election, international relations and extreme weather, immigration reform and costs related to health care, to name just a few factors.

(As more than one florist has told us, sales are up but some costs are, too.)

It’s no wonder the Oxford University Press named the laughing-while-crying emoji the “word” of the year for 2015. There’s a lot to be happy about right now — and there’s plenty to make any business owner nervous.

Still for all of the uncertainty, shifts in consumer preference — in the way people shop and want to be served — are evident. Ignore them and you risk looking woefully out of step with your client base. Get ahead of them and you’ll have the opportunity to be a leader, no matter how small your business.

Anecdotal evidence suggests 2015 was a strong sales year for many floral industry businesses. Ready to do even better in 2016? We’ve got three big ideas to help guide your planning.

BY MARY WESTBROOK
For many consumers, spending money is now akin to a political or social act: They want to support local businesses. They’re interested in how and where products are produced, and how people and the environment are treated in the process. In fact, 55 percent of global respondents to Nielsen’s 2014 corporate social responsibility survey said they were willing to pay extra for products and services from companies that are “committed to positive social and environmental impact — an increase from 50 percent in 2012 and 45 percent in 2011.”

If you’re thinking, “nope, I don’t see this happening in my shop,” keep reading. There’s a chance you’re missing out on a chance to market to and better serve key groups.

The impulse is particularly strong among younger people — those all important millennials — who, in addition to seeking products and companies that support their beliefs, also want to find their values reflected in their workplace. According to the 2014 Millennial Impact Report, conducted in cooperation with the Case Foundation, 55 percent of millennials said they accepted a job in part because the company itself was involved with a larger social movement. The report also found that, “once in a position, the main factor in determining whether or not [the millennials] remained at their company, beyond compensation and benefits, was having their passions used and fulfilled.”

For florists, this trend presents many opportunities, from sourcing local products (flowers and greens but also merchandise) to partnering with local charities and nonprofits.

Sometimes, the question isn’t, “Are you doing good deeds?” but, “Are you promoting them?” Remember, when Mark Zuckerberg, king of millennials, decided to give away 99 percent of his Facebook shares — valued at $45 billion today — in his lifetime, he didn’t quietly draw up the documents with his attorney. He posted the news, to great fanfare, all over social media.

In their own way, florists can follow Zuckerberg’s lead. Last fall, for instance, Central Square Florist in Cambridge, Massachusetts, phased out a national line of chocolates in favor of one with local roots, made in a factory just 10 minutes from the shop, according to Jackie Levine, a fourth-generation industry member and millennial herself. “It’s been well received by customers,” said Levine, who promotes the line and its local connection regularly.
more of it — now have more options than ever before.

Today, Florverde Sustainable Flowers has certified 54 flower farms, representing about 28 percent of Colombia’s flower farms, or 39 percent of the flowers exported, according to Ximena Franco, Florverde’s director. Certified farms must adhere to strict social and environmental regulations. (The number of certified farms has dropped in the past five years, but the country has also seen significant consolidation in that industry, decreasing from 224 farms to about 185 as of last spring.) In the United States, the California Cut Flower Commission partnered with other groups in 2015 to promote American grown products through a 10-city “farm to vase” dinner tour, which attracted attention from glossy lifestyle magazines and the Wall Street Journal. In addition, CCFC recently launched its own third-party-certified sustainability certification program, BloomCheck, after a successful pilot project with three farms. The program is the result of a comprehensive study and two-year Specialty Crop Block Grant; the certification process became open to farms late last fall.

Even for florists who aren’t offering local product year-round, it’s possible to provide in-season options that speak to customers craving that connection. For example, while it’s not “a big part of yearly sales,” Jo Buttram, AAF, AMF, PCF, said she does have seasonal “farm-to-table flower arrangements” on her website at Shirley’s Flowers & Gifts in Rogers, Arkansas.

While charitable donations and partnerships with nonprofits, schools and churches have long been a part of most florists’ business plans, one of the big challenge remains how to manage requests, and keep donations within a reasonable budget.

**ACTION FOR THE NEW YEAR:**

- Remind customers, through social media and in-store, that you support local nonprofits.
- Flaunt your local roots — make sure people know you’re a family-run (and/or second or third gen, etc.) operation, or locally owned since 1990.
- Clearly label — and talk about — local products; if you carry certified product, train your staff to explain what that certification means.
- Partner with other businesses in your area for special events or product pairings.

**TRY THIS:** Check out safnow.org/moreonline for a number of articles about the different approaches florists are taking, including a once-a-year flower grant application at Julia’s Flowers in Wilmington, North Carolina, and a formalized monthly spotlight at Winston’s in Boston.

One opportunity many small business owners overlook when it comes to charitable work is its potential effect on recruitment and retention of employees.

Harkening back to millennials’ desire to be part of a do-good operation, SAF Amelia Island speaker and HR expert Glenna Hecht, of Humanistic Consulting, pointed out that if you’ve been recognized locally for your philanthropy, that information belongs in your job postings. It also belongs in your advertising, said Buttram, who credits her shop’s involvement with myriad nonprofits at least in part for the business’s recent recognition as a small business of the year.

**CHILD’S PLAY** Contributing to schools that provide extracurricular programs to children who would otherwise be left alone after school — such as this school in Cundinamarca, Colombia — is among the social requirements of Colombia’s Florverde certification for flower growers.
Blame it on Amazon. And Google. And Facebook. Take your pick, really, but here’s the takeaway: Whether you’re a mom-and-pop shop or a multi-store, multi-state operation, customers today expect products and customer service to be 1) smooth and 2) fast.

Those lessons apply in-store and online, said Levine, who reminded florists that, for most consumers, the experience of buying flowers is an occasion-based event. “It can be intimidating in the same way, honestly, that buying a diamond is intimidating,” in that customers don’t think they have the language they need to describe what it is they’re after, he said. “I as the customer want to buy something nice and impressive, but I don’t want to break the bank. I want to know I’m getting a good value.”

Making the purchasing experience seamless is really about removing what Levine calls pain points — anything that makes customers wince, balk, feel confused or (worst of all) abandon the purchase all together.

Another SAF Amelia Island speaker, Tim Huckabee of Floral Strategies, has long advocated that florists jettison vague, unhelpful language (“So, you want a big arrangement?”) for verbiage that creates a strong visual for customers. That’s an approach Levine endorses, too.

At Lafayette Florist, Gift Shop and Garden Center in Lafayette, Colorado, Lori Wheat, AAF, has been teaching staff to use that “enticing” language. Some of the verbiage from Christmas sales last year at Lafayette included “peppermint roses” and “fragrant evergreens” to sell premium product (designs in the $100 to $200 range) that people can’t grab in a grocery store cooler.

Occasionally, what you think you’re doing well could be much better. That’s a lesson Skip Paal, AAF, said he learned recently, when he dug into his phone system and found it lacking. “Our biggest customer service change has been our goal to provide phone service without interruption,” said Paal, president of the Rutland Beard Floral Group, headquartered in the Baltimore metro area. “There is nothing worse than calling a shop and having the phone ring and ring without being answered or even worse, [to hear], ‘Thank you for calling XYZ Florist, please hold.’”

After running a report on lost calls, Paal realized that up to 20 percent of calls were going unanswered. “Since we made the change to allow everyone to answer

**GET RID OF PAIN POINTS**

**PEOPLE ARE DEMANDING THINGS FAST — AND FASTER STILL.**

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Identifying pain points centers on putting yourself in the customer’s shoes, and seeing your business entirely through her eyes, Levine said. What’s hard to find or understand? Where might an additional sign help, or an extra sales person?

**TRY THIS:** Read about how James and Christine McArdle revamped their approach to in-store service at McArdle’s Florist and Garden Center in Greenwich, Connecticut, at safnow.org/moreonline.
calls, we have seen the unanswered rate drop below 5 percent, with most of those callers after hours,” he explained.

Being where customers want you to be, when they want you to be there is important, agreed Wheat. “Customer service needs to be better than ever,” she said, adding that she also pays more attention to visual merchandising in-store, because she knows her customers want that welcoming feeling in the age of Amazon and online shopping. (Read more about that strategy in Visual Impact, p. 15.) “You can buy everything online,” she said, “so we needed to make a special commitment to providing a different level of service.”

Online, of course, you want the experience to be pain-point free, too. (And, as Loren Hudziak, a Google Solutions architect, pointed out during SAF Amelia Island, thanks to mobile technology, “Everyone is always online now.”) That means your website needs to be mobile-responsive, updated regularly and connected to your social media presence. You also need to be sure that the information customers want is readily available.

Here again, Levine said, figuring out the information that should rank high isn’t rocket science. Just think like your customers.

“When people are driving around and they search for your shop, what do they want most of all? Probably the contact information,” he said. “Where you’re located, a phone number, an email — your hours.” That information should all come up quickly and clearly.

THE GREAT UNKNOWNS

Much of the advice offered this month depends upon a well trained and dedicated staff. We know what you’re thinking. It’s easy to talk about building a dream team and harder — much harder — to actually create one.

With its long hours, relatively low pay and hard physical work, the floral industry is always hard pressed to compete for employees. When the economy improves, as it has in recent years, the struggle intensifies. Add to that the decrease in the number of industry training programs, and it’s clear why so many people struggle to find and keep great employees. That’s a message we heard this month, over and over again.

“It is very difficult to find talented, dependable, and motivated employees,” said Skip Paal, AAF, of Rutland Beard Floral Group, headquartered in the Baltimore-metro area. “It seems that we have almost exhausted the talent pool in our areas, and this is a significant worry for the years ahead. It is becoming harder and harder to attract new talent.”

Among industry members who depend on seasonal workers, the country’s current immigration system is also a limiting factor. For more than a decade, SAF members have been asking lawmakers to fix the broken system, and many will travel to Washington, D.C., again in March during SAF’s Congressional Action Days to share their experiences and frustrations.

A nationwide shortage of truck drivers also affects the industry, as does a longtime need for young designers, willing to work at a salary level that florists can afford to pay.

A silver lining does exist as the industry moves into the new year: A number of industry groups, including The Texas State Florists’ Association and the American Floral Endowment, are making serious efforts to build a better pipeline of next gen industry members. We’ll be covering those efforts, and others, in future issues.

What are the issues you care most about? As always, we want feedback from our readers. Have a story idea? We want to hear it.

-M.W.
In July, Deloitte, the business advisory firm, reported that, according to its surveys, “36 percent of consumers say they are interested in personalized products or services.” Among people 30 and under, the demand is even higher: The firm found that “43 percent of 16- to 24-year-olds and 46 percent of 25- to 30-year-olds are attracted to personalized goods and services.”

Personalized products? Floral designs and flowers should be an easy sell, right? Not so fast, said Levine. “While flowers are intrinsically a personalized gift, there’s more competition in this space than ever before,” he said. Case in point: Nike, which now empowers consumers to build their own shoes to their own exacting specifications. Products that used to be commodities now are expressions of a customer’s curated life. People don’t drink beers, but Belgian IPAs. They get a caffeine kick from a Starbucks flat white, not coffee.

In recent years, the floral industry has seen a flurry of startups promising customers a highly personal experience (and top-notch tech through beautiful, easy-to-use web sites and apps). Companies such as Bouqs, BloomThat and Urban Stems and speak to that younger demographic, with language about product origin, ease in ordering and — for the generation intent on Instagramming everything — “curated” design styles. BloomNation, founded in August 2011 as a kind of Etsy-inspired marketplace that could connect consumers with local florists, promotes a similar aesthetic and lifestyle on its site.

Personal products and personalized service go hand in hand, said Levine, pointing to the example of a barista who has at her disposal dozens (maybe hundreds) of flavor combinations. When the barista does her job well,
and makes a good match, the customer comes back.

That matchmaking ability is the same concept driving many of today’s most successful online retailers and even social media sites. (If you enjoyed Jonathan Franzen’s novel “Purity,” you’ll love Lauren Groff’s “Fates and Furies.” ...

“... You’re friends with Joe, so you might like Susie.”

Technology is also helping retailers target their messaging more effectively today. Personalized emails are standard practice, of course, but more florists are now also having authentic conversations with customers via social media platforms such as Twitter, Facebook and Instagram.

**ACTIONS FOR THE NEW YEAR:**

- Train your staff to use all the good data at your fingertips in the form of sales history in your POS.
- Name seasonal arrangements and give customers options that make them feel like they had a hand in designing the final product (even if you were smart enough to really push them toward a pre-made in the cooler).
- In your downtime, read up on new tech in “Plugged In,” the Floral Management column of SAF CIO Renato Sogueco — or, if tech isn’t your strong suit, assign a team member to be your monthly reader.

**TRY THIS:** Read about how one flower shop and wholesale florist used SAF’s Petal It Forward PR campaign to engage with consumers and the media via social media at [safnow.org/moreonline](http://safnow.org/moreonline).

And if you haven’t thought much about proximity marketing yet, chances are you will be, in the next few years. Also called hyperlocal marketing, this tactic uses cellular technology to send marketing messages to mobile-device users in close vicinity to a business. The potential here is significant, writes Forbes contributing writing George Petro, who calls proximity marketing the fifth “P” in marketing gospel, right up there with product, price, promotion and placement. According to Petro, 53 percent of consumers are willing to share their current location to receive more relevant advertising.

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