

GROWERTALKS

Cover Story

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Watch Out, Future! Here They Come!

Ellen C. Wells

Green Profit began the Young Retailer Award in 2006 to recognize the contributions of garden center industry members under the age of 35. Now in its third year, the YRA has attracted some of the sharpest and most innovative young minds among us. Not only have they stepped up to the plate and made a difference in their workplaces, they're also loaded with specific ideas that'll have a big impact on the industry going forward. No small dreamers, these folks. Just read their thoughts on the following pages to the question: "Describe the NEW business qualities today's retailers will need to possess in order to thrive over the next 20 years."

Which one will receive our 2008 Young Retailer Award? Luck certainly has nothing to do with it. We've convened a special panel of judges who'll review the finalists' nomination forms and assess their final essays. Thanks so much to our esteemed judges!

- Dr. Jennifer Dennis—Purdue University
- Bill Calkins—Business Manager for Independent Garden Centers, Ball Horticultural Co.
- Ken Long—LA Reynolds Garden Showcase, and current president, Garden Centers of America
- Dan Mulhall—Mulhall's Nursery & Garden Center, and current president, ANLA retail division
- Jennifer Schamber—Greenscape Gardens, and the 2007 Young Retailer Award winner

We'll announce the winner at a special ceremony July 12th at the OFA Short Course in Columbus, Ohio, as well as in the September issue of *Green Profit*. Good luck to them all!

A big "thank you" to our contest sponsors—OFA, Simply Beautiful and Wave—for helping our YRA finalists get some well-deserved national exposure.

Christa Bormann

Age: 28

Title: Sales Team Manager

Operation: Heinz Brothers Greenhouse Garden Center, St. Charles, Illinois

Nominee notable: Christa holds classes and special events for schools, garden clubs and garden shows, as well as for Heinz Brothers' clientele.

In order to thrive over the next 20 years, retailers will need to possess the ability to create and maintain

customer relationships. To some, the idea of developing customer relationships has been around for years. For many, these relationships have completely fallen by the wayside in an age of self-checkouts and lackluster employees who barely bother to say “hello,” let alone learn a customer’s name.

Building relationships with customers is key to gaining their trust, and trust translates into business. To gain that business, retailers must go beyond adding customers to a mailing list. While mass mailings will bring customers through the door, an individualized approach will be remembered. Send a personal note via e-mail or the postal service. Call to verify that a customer’s recent purchase is working out or to notify them of a new product they might like. Better yet, greet customers at the door and demonstrate that you remember them. Being called by name will no doubt impress them!

Once created, customer relationships must be maintained—let your customers know they’re special. The key to doing so is simply to remember: Remember their purchases (and, in my case, their landscape plans), their likes and dislikes, the events in their lives. I’m fortunate in that I am able to easily remember most of the information pertaining to my customers, but if it takes supplementing your diet with Ginkgo biloba to improve your memory or keeping a notepad in your pocket for jotting down things to remember, by all means do it! Customers likely won’t think about how you remembered, but rather about the fact that you remembered.

To remember what’s important to your customers, you must ask them. Be more than the employee who helps them find what they’re seeking; ask them about their children, their pets, their vacations or whatever might be important to them. Being proactive by striking up conversations says that you want to get to know your customers. In turn, they’ll likely feel freer to share their thoughts with you. And that comfort level keeps customers coming back—and spreading the word about their shopping experience.

In my line of work, I’ve established and maintained relationships by focusing not only on my customers but on their families, too. If children are shopping with their parents, I take an interest in them and do my best to interest them in gardening. (Fast-forward 20 years and they’re potential customers!) I’ve found that parents appreciate my efforts with their children, whether I’m teaching a class or sparking their interest with a unique plant. On the flip side, I may first make a connection with children through projects, classes and tours orchestrated by area schools or scout troops; this connection often leads to new customers (their parents) with whom I can create even more relationships.

Having a reliable product or service is, of course, the main reason a customer will shop at Heinz Brothers. But making a connection with that customer will keep them coming back for more.

Christina Campbell

Age: 29

Title: Garden Center Manager

Operation: Campbell’s Nurseries and Garden Centers, Lincoln, Nebraska

Nominee notable: Working in the family business since age 5, Chris graduated from the University of Nebraska-Lincoln with a degree in business administration and now oversees more than 25 employees.

In the year 2010, the Millennial Generation, also known as Gen Y, will comprise the entire 18-34 year old segment coveted by all retailers. Convenience, speed and constraints on discretionary spending will be vital to all industries.

The current offerings in our garden center include seasonal seminars. At the present time we are constrained to one 60-minute presentation to convey our knowledge. The utilization of podcasts and webinars will enable my team to present various 60-minute product demonstrations focusing on perennials, annual container gardening and other garden related topics. We'll continuously run the podcasts in the store, as well as utilize them for e-marketing purposes and distribute them to consumers outside our current direct mail lists. Upon receipt of the podcast, our customer may choose when and where to view the information and how often. This convenience is an inherent quality of the Millennial Generation.

Garden centers don't sell items that consumers require to live, only the things they want or desire. We must accommodate our consumer's wants. I see the future of garden center purchasing to be a "click" away. Customers will go onto the Campbell's website to find a full catalog of products, including plant descriptions, planting instructions and care information. There, they can make purchases to be pulled by a Campbell's employee, then picked up at the garden center at their convenience or delivered to their doorstep. The disparity with previous generations relating to gardening for food and for fun will become glaringly apparent, as my future clientele will be categorized as the "Do-It-For-Me's". The future consumer wants their gardening to be instantly beautiful and easy!

With the continued constraints on discretionary spending, people are making a conscious decision to stay home rather than travel. People are taking their "travel money" and spending it on a new lifestyle by creating their "fifth room" outdoors. It'll continue to play an important role in the way we live. If consumers are going to be spending time at home, they want it to be a beautiful place to enjoy.

How we reach this new demographic is at the forefront of our sales and marketing efforts. Recently, we placed advertising in the local movie theaters, a decision we never would have made ten years ago. I understand that the majority of our current and, more specifically, our future consumers don't read the newspaper—at least the print copy—nor do they listen to local radio. Until recently, these two outlets were the emphasis of our marketing dollars. The utilization of e-marketing via e-newsletters, podcasts, and live webinars will be an important tool to reach our consumers.

Campbell's has always prided itself on knowledge, service and quality products. Our mission and values have not and will not change in the years to come. The ability to touch our clients and prospective customers with one keystroke will be vital in the years ahead. In order to effectively touch this new buyer, we will broadly think outside the box to creatively meet the wants of our consumer.

Sgt. David Christakes

Age: 24

Title: Greenhouse Manager

Operation: Alsip Nursery, St. John, Indiana

Nominee notable: A sergeant in the Illinois National Guard who served a year in Iraq, David has been

instrumental in implementing formal company procedures based on his military training.

There are many things I love most about the nursery industry, but above all it's the people. It's all about people! And the one thing we all have in common is passion. We're all excited about our product. We all want our product to be the best. We want our stores to be the finest garden centers in the world.

No one gets into this business to do it halfway. You have to love this game to be good at it. You have to love what you do to be good at anything. My father once told me, "If you love what you do for a living, you'll never work a day in your life." That was the first time I'd heard that, and it said it all for me. I wake up every morning and I have fun.

Today's retailers need to possess the ability to hire people with that same attitude and be able to screen capable and ambitious employees—the type of employees who act like owners and take pride in what they do. We look for people who pride themselves on achieving their goals. In this business the work will never stop coming. To survive for the next twenty years we need to surround ourselves with great people, plain and simple.

There are other things, too, that can help retailers along the way. With issues like rising fuel costs and minimum wage increases putting the pressure on us, it's important to be able to remain flexible and plan for the future. Adaptability is key. There are many ways retail garden centers can change to stay ahead. One of them is to grow some of your own product. Grower-retailers are becoming more and more prevalent as companies attempt to increase their margins. Retailers thinking about going this route should remember to start small and have a game plan. Talk to people who've tried it. Plan a budget and abide by it. This might sound scary to some, but it's an excellent way to gain some profitability. Retailers must not be afraid to take this risk.

Above all, though, the most important quality businesses should possess is standards. Set them high and be a model of them. Never falter, or your employees will see you and follow suit. Set your goals high and raise the bar on yourself. In the Army they tell us to never get complacent. The same holds true in business. Our customers are looking for that quality, and for knowledgeable people to show them that quality. If you think customers come to your store for plants, you're about 5% right. It's an idea that they're buying. They're not robots with a checklist coming in saying, "petunias, check, calibrachoa, check." They want the best-looking plants on their street, and it's our jobs to provide them. I sincerely believe it's irresponsible to let a customer leave without educating them on how to care for and fertilize their plants. If you go this extra step, your customers will come back. Plus, you'll be making some crucial add-on sales. Independent garden centers are an "out-of-the-box industry" because we can't think like a box store or we'll sink. Be unique, be innovative, be the best at what you do, and your customers will thank you for it year after year.

Kevin Westrick

Age: 33

Title: General Manager

Operation: Wojo's Garden Splendors, Davison, Michigan

Nominee notable: A graduate of the Michigan State horticulture program, Kevin advances staff

development by initiating and coordinating educational opportunities, and has a 100% rate of retention for key employees.

In order to thrive in the business climate of tomorrow, we'll have to know who our emerging customers will be. We know that currently our customer base consists of women generally between the ages of 45 to 60. My question is what about the fastest growing demographic group emerging today—Hispanic Americans? Are we as retailers focusing on this group? Are we filling their needs? Do we as retailers really know what they may purchase from us when they come into our garden centers? We need to develop a strategy to help identify the needs of this emerging sector. We need to engage in target marketing to Hispanic Americans now in order to develop them into part of our regular customer base for generations to come. Did you know that Hispanic Americans purchase heavy in the water gardening sector of our business due to religious factors in their lives?

The great majority of our customers are looking for information via books and gardening magazines, but most of all they love to search the web. If we don't supply our customers with tons of information that's easy and readily available, then we'll have a tough time in tomorrow's market climate! Back a few years ago before the web was so prominent, most customers were content with a pixie tag filled with information. Today and in the future things are and will be different. Our customers want to know everything there is to know about that plant. If we can't give them that information, they're going to shop somewhere that can. We need to have tools in place to share information with our customers. We need to have mass informational web sites; we need to have instructional and educational classes. We need to have interactive point-of-sale systems, where customers make their purchases in our stores and instantaneously an email is sent to them with information about the products they've purchased and other products that will aid in their success. We need to furnish our customers with as much information as possible, because knowledge is power. When people feel empowered they will go out and spread the word about your retail facility, over and over again.

Once we've developed our customer base and shared with them the knowledge that they desire, we have to make their trips to our garden center an experience they'll never forget. Experiences like the sounds of rushing water in a grand fountain display or the sights of beautiful display gardens they can lose themselves in. These experiences should be something that will stick with them for years to come. You want your customers to say, "Remember the time at XYZ Garden Center? We should go over there again this week."

If we help develop our growing customer base by filling their needs with products and knowledge and make their visits become experiences, then I believe we as retailers will thrive over the next 20 years.

Ken Zawicki

Age: 27

Title: Store Manager

Operation: Petitti Garden Centers, Avon, Ohio

Nominee notable: Ken has worked his way up from loading topsoil at the age of 16 to overseeing all

construction, stocking, hiring and training for Petitti's newest, largest and most profitable retail location.

If, in 1988, garden center professionals were asked where they saw the future of the industry, how could anyone have imagined the garden centers of today? In our era, time spent behind a hose is easily rivaled by time spent in front of a computer, and the sales growth in home décor lines overshadows the increases seen in plant departments. While we may still find it necessary to present some of our plants alphabetically, the importance is now on creating the "wow" factor. The opportunities and challenges of our future are as diverse as the varieties of petunias on our benches. Who can help but wonder what will come in the next 20 years?

As retailers, we realize that change is constant. If a business is to survive and grow, it needs constant reflection and redirection. The answers that worked yesterday are going to be replaced by better solutions tomorrow. Constant evaluation of our daily operations through the use of the POS technology before us will allow cost control while continually striving for the highest standards of service. One way is to optimize use of retail space by analyzing sales per square foot by department, supplier, product classification, individual SKU or even merchandising strategy. Another way to reduce overhead is through more stringent inventory control, providing us with higher stock turns and increased cash flow. The greatest advancement that technology provides is the opportunity to better understand our customers to provide the framework of advertising, merchandising and customer service goals.

Product lines in our stores also need constant examination. We need diversity to compel our customers to return to our establishments outside of spring, while simultaneously maintaining our core identity in horticulture. Recently, outdoor living, home décor, apparel and trim-a-tree have become some of our major profit centers. We may soon add other avenues such as home furnishings, art and everything from coffee shops to haute cuisine selections. A diverse product mix makes us better suited to survive the seasonality and weather dependence of our core identity as garden centers.

Our standards for customer satisfaction can no longer be compared to the garden center down the street. Our customers are often in the same target demographic as high-end department stores and other luxury retailers. The most exciting of the radical advancements in our business is the emphasis upon entertainment. Festivals, wine tastings, seminars and an everyday "Disney World" feeling are now more required than recommended. Customer expectations will continue to develop as the overall retail environment advances.

One thing that must not change, if our industry is to have a successful future, is the sharing of our passion and enthusiasm for horticulture. While it's good to have the rare commodity of trained and knowledgeable employees, it's also imperative that we develop an inspiring culture and foster curiosity in our staff, our customers and our communities. Striving to continually create excitement and interest in our industry is the best way stay focused on the future.