

GROWERTALKS

Features

11/27/2015

A Business In Brief: Making Their Dreams a Reality

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There are surveys that show Millennials want their careers to offer solutions to problems, to make a difference, to nurture their passion for something. Steven Dyme and Jo Dickstein are lucky enough to have found themselves doing all three of those things with Flowers For Dreams.

What started as a suggestion from a friend, Steven and Jo turned an event-based side-job into a full-time operation where they've taken an old business model and made it better. And it happens to touch our little part of the horticulture world.

Filling the gap

Steven was attending the University of Wisconsin-Madison when his friend, who was attending college in Boston, told him he was selling cut flowers from his family's wholesale business to the university for graduation ceremonies and alumni events. Steven thought it was a good idea, so he called his old high school buddy Jo, who was at Indiana University, to see if he'd like to help him do the same thing at colleges and universities in Chicago. They bought cut flowers from local vendors, created beautiful bouquets and sold them, saving some of the profits to buy backpacks for low-income students.

Steven and Jo realized the potential success they could have, so they made the decision to expand it into an actual business venture with the same product that would be ordered online and delivered.

"We saw a gap in the delivery process for flowers, so we decided to open up as a full-fledged business," said Jo.

That "gap" Jo is talking about is actually comprised of three different markets that sell cut flowers, and Flowers For Dreams has created its mantra of "affordable, accessible and inspirational" by looking at the

strengths and weaknesses of each one. Jo described it like this:

- First, are the mom-and-pop florists, which have great product and beautiful designs, but can be very pricey.
- You can get cut flower bouquets at grocery stores or your local Target or Walmart, but the quality isn't the greatest and they don't deliver.
- The third market is through online florists like 1-800 FLOWERS and FTD, which have good quality, but "everyone has horror stories" about the poor customer service and being nicked and dined to death with the upsells and added fees, said Jo.



So, in their own Dr. Frankenstein-like way, Steven and Jo took the good parts of those markets and put together a business that works, with in-house designers creating affordable, quality flowers that are delivered. Jo gave the example of ordering a bouquet of roses online, which may start at \$9.99, but ends up costing \$60 because of all the extras, like service and delivery charges, care charges and tons of upsells. They wanted the price you see on their website to be the price you actually pay.

"It was a crazy idea and we were like, 'You know what? We're selling [the bouquets] for \$35,'" said Jo. "The upsell is absolutely insane. We're all getting the same product at the same price."

Flowers For Dreams became official less than three years ago and it's been steadily growing, moving from Evanston (a northern Chicago suburb) to a bigger facility in the city where they knew they would be surrounded by several wholesale cut flower distributors, allowing them to literally walk down the street to pick up some of their product. They also buy flowers from farms in the surrounding suburbs and have partnered with the Cook County Jail, where inmates grow cut flowers for them outdoors during the spring and summer.

Making flowers not lame and giving back

All of Flowers For Dreams' orders are taken online (you could call, too, especially for special events like weddings and funerals). You can choose by season, color, style (bouquet or vase) and price point, but it's important to note that the design you see is not exactly like the one you'll be getting—which is how they want it.

"No two bouquets are alike," said Jo. "They have similar colors, but they're not cookie cutter. We have a very in-depth training process for our designers because we have a unique product. It's more of a rustic, u wildflower, organic type of look." And that's why you won't see any carnations or Baby's Breath and very few roses. And you especially won't see little plant picks with butterflies or "Get Well Soon" because, frankly, those are lame.

"We want to make flowers cool," said Jo. "People have to get away from the smiley face sticks and Baby's Breath because that's not cool. Let's get back to the basics; let's get back to flowers in an affordable and inspiring way."

Jo said that they try and use technology to their advantage as much as they can. While some florists are still hand-writing orders, Flowers For Dreams has a proprietary, custom-built software system that takes and tracks the orders, maps out delivery routes, manages inventory and tallies profits. It helps them handle custom and same-day orders.

Next-day delivery is FREE—and usually by bicycle—if you live within the Chicago city limits and you can place a same-day order up until 2:00 p.m., to be delivered before 5:00 p.m. They deliver next day in the suburbs for \$10 and deliver as far as northern Indiana and southern Wisconsin.

So we have the “accessible” and “affordable” parts down and the “inspiring” comes from their designs, but you could say that the amount they give back to their community is really the inspiring part of their business. Every month, Flowers For Dreams chooses a local charity and donates a percentage of their profits from that month. For November, the Noah’s Arc Foundation—a charity created by Chicago Bulls basketball star Joakim Noah to help children from struggling and violence-prone neighborhoods in Chicago—will be receiving 25% of their profits. So far this year, Flowers For Dreams has donated over \$100,000 to local charities.

“We wanted to make a difference,” said Jo. “Imagine if every business could donate 1% of their profits. Imagine how different the world would be.”



Keeping costs down and profits up

No added fees or upcharges, no delivery fee if you live in the city and a percentage of the profits go to charity—so how do they make money? Jo smiled and admitted that it’s a question they get all the time.

He said that most mom-and-pop florists find themselves tossing up to 35% of their inventory in the trash because they have to buy in product to merchandise their

storefront, which many times never leaves the building. And because of this, they have to charge a premium in order to at least break even. Flowers For Dreams doesn’t have a walk-in store to maintain, so they don’t need to buy more flowers for what Jo called the “window-dressing component.” They only buy what they need, so their spoilage numbers are in the single digits.

Also, because they don’t need a fancy store on Michigan Avenue, their rent costs are affordable. They’re in a very industrial area, which is fine because no one comes to see them; everything is handled by web or phone.

They also run as lean as possible. Jo said there’s no need for additional staffing like cashiers or merchandisers, so they can focus on hiring good people to handle sales and customer service. And since they have a lot of on-demand orders, they can have people come and go as needed. Right now, they have 16

full-time employees and about 40 part-timers, which includes packaging handlers and couriers.

“We’re really lucky to have such an amazing team,” Jo said with pride. “We have a business mindset to make sure that our margins stay true. We look at the numbers right down to how much it costs for designers to cut the burlap.”

Taking pride in their passion

The main challenge that Steven and Jo have faced has been with people who don’t take them seriously. “As 20-somethings, credibility as business owners is always tough,” said Jo.

But that may be happening less now—Steven was invited to be a speaker at the Chicago Ideas Week event that took place in October, which is seven days of talks, seminars and workshops conducted by a broad spectrum of business owners, creative thinkers and “instigators of ideas.” Flowers For Dreams was also named one of the 20 “most inspiring businesses in America” by Business Insider magazine, and they’ve been featured in The Chicago Tribune and on local TV. Not too shabby for two local kids who took a chance on an idea and are continuing to learn as they go.

“If you have a passion for something, then you’re going to be the best at it,” stated Jo. “We have a passion for this and we taught ourselves.” **GT**