

GROWERTALKS

Acres & Acres

5/31/2017

Random Thoughts on Big Trends

Chris Beytes



CHRIS BEYTES

Labor. The No. 1 challenge for most of you. Finding good people, then keeping them—that's what keeps you up at night. It's not a new issue, to be blamed on the current political environment, despite what some might say. The problem has been around for several decades and multiple administrations. It's not getting better and it's not going away.

What to do about it? Well, if you're waiting for Washington to fix the problem, you're got a long wait. You need to solve it yourself. I suggest five things: 1) More competitive wages; 2) more creative perks; 3) more comfortable working conditions; 4) more efficiency; and 5) new and alternative sources of employees (Retirees? Refugees?). If you scoff at any of those five solutions as impossible, then your labor situation isn't going to get any better—seriously—because these are the things that

successful businesses in ALL industries are doing to find and retain people. Pay more, give more, get efficient and get creative in whom you hire. That's it.

Consolidation. The big keep getting bigger, from breeders to growers to retailers. For growers, it means fewer mid-sized breeders with innovative offerings. Remember when Fischer came on the poinsettia scene in a big way? That really pushed Ecke to rise to new levels in their breeding.

Of course, there are benefits to big organizations. They have a lot of R&D resources. They can provide higher levels of technology, such as Ball Seed's WebTrack. They offer the convenience of one-stop shopping. They offer more customer service benefits, including fewer substitutions and better credit terms.

However, regardless of size, success is all about relationships. Big or small, if you build strong relationships, you'll have long-term success. If you don't ... well, you've heard the old saw, "The bigger they are, the harder they fall." Just ask United Airlines about the importance of taking care of customers.

Amazon. Lots of buzz about Amazon getting into plants. They've even hired a dedicated plant buyer. That's understandably scary. I mean, look what Amazon has done to brick-and-mortar book and video stores, shoes, razors, glasses, office supplies. How do we prevent ourselves from going the way of Blockbuster?

Actually, I don't think any good IGC retailer needs to worry about Amazon—provided you're serving your market with quality products and plenty of experiences (see below). Especially the latter. I view Amazon as a big-box retailer. Their claim to fame is convenience and speed. Now, if I was Home Depot, Lowe's or Walmart, I'd be worried on that front ... which is no doubt why they're all building robust online divisions.

ROE. That's "return on experience," as opposed to ROI—return on investment. This comes from Bisser Georgiev of LiveTrend Design Group in Apopka. He wrote about ROE in the first of three guest columns in the May issue of Green Profit. Bisser explains:

There's an obvious shift from "Information" to "Experience" Age. Over 80% of affluent consumers prefer luxury "experiences" vs. luxury "products." We're all aware that the green industry also sells discretionary income products that are borderline luxury. So how do we transfer our consumer's perception from "plants" to "living experiences"?

If we truly believe in consumer-centered design, we'll need to let go of the ROI-centered thinking of the '90s and focus on consumer-centered ROE (Return on Experience) strategies: if we all focus on the consumer, provide experiences (and fun memories) and deliver innovative products, the bottom line profitability will be delivered to us organically.

I've long been a believer in providing experience to customers, certainly at retail—"retail-tainment" as it's called. But to make our plants the experience? That's a whole new way of looking at it.

But wait. Is it really so new and strange? Think about it: Every Mother's Day plant ever gifted, every Easter lily ever displayed in a church, every wedding bouquet ever tossed, were expressions of experience, not of horticulture.

Bisser is challenging us to bring that kind of experience, that kind of emotion, to our everyday products: houseplants, patio plants—even annuals, perennials, trees and shrubs. I'm convinced it can be done, and I'm convinced Bisser and a few other creative types are going to show us how.

The question is, will you be ready when they do? **GT**