



AN INDUSTRY OF SILOS... OR THE POWER OF ONE?

Finding new ideas not only makes this industry stronger but a larger player in the world of competition.

BY STAN POHMER

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As individual businesses in the floriculture industry, associations serving different segments of our industry, and universities doing research, we each rightfully have our own agendas and programs that support the needs of our own specific constituency. Individual retailers focus on their consumer with the goal of driving traffic through their front doors. Growers and manufacturers focus their efforts on their customers and, in some cases, their customers' customers. Academics focus their attention on the research areas where they have the expertise and on the needs of the companies or organizations that provide them with research funding. And associations try to develop products and programs that protect the business segment and the members they represent. We're an industry built of many individual silos.

The flowering pot plant producers look at the cut flower industry as competition for potential sales. The foliage producers look at the artificial plant manufacturers as their competition. Bedding plant producers look at cut flowers as competition for Mother's Day sales. Independent garden centers look at the home improvement chains as the primary competition for their consumer. Florists view the supermarkets as their challenge for sales. The Internet is looked at as taking sales away from all of the traditional sales channels.

HEALTHY COMPETITION

Competition in and of itself is

good. It keeps us thinking and on our toes, helping us focus on our individual strengths. But competition itself will not increase the size of our market. We've all seen the data showing that over the past few years the total market is stagnant, and we've just traded market share among the segments, both category and channel. We truly haven't accepted the fact that it's not the internal competition that's holding back our growth potential; it's the external competition coming from all of the nonfloral category choices the consumer has at their disposal to spend their money on.

It's human nature to look at competition within our own industry as the reason for the lack of growth or loss of sales within a category or channel. And it's human nature to try to protect your own turf and solidify your place in the market at the expense of the other product categories or retail venues. But are we sacrificing long-term benefit for short-term gain by taking this approach?

FRESH IDEAS

At the recent Seeley Conference held at Cornell University, the topic of three days of discussion was "Stayin' Alive: Can We Captivate the Elusive Consumer?" After listening to some great presentations from speakers inside and outside our industry and much thought-provoking discussion, one of the salient points I took away was that we need to start thinking...and acting...differently if we want to start capitalizing on the tremendous opportunities and benefits our products provide to the consumer.

We need to start looking at our products the way the consumer does, not through our siloed mindset. While we tend to look at things as separate categories or retail venues, the consumer tends to look at our industry offerings in its totality. Consumers have a need they want filled, whether it's purchasing a gift or decorating their interior or exterior living room, or for personal wellness, well-being or getting in touch with their inner, more innate, selves.

More often than not, they don't know exactly what specific product from our industry will satisfy this need or where they will purchase it until they start shopping for it. Then, whatever retailer they shop or whatever product they see that can best deliver on their particular need will earn the purchase that day. As a result of this, there's a lot of cross shopping, the same consumer purchasing our products at many different retail venues, depending on who can best satisfy their specific need on that particular day.

One national home improvement executive stated that surveys of their shoppers showed that they purchased 50 percent of their garden products in a home improvement chain and the other 50 percent in an independent garden center — different venues offering different products, different services, different shopping experiences, satisfying different needs for the same consumer.

Viewed through a consumer's eyes, there's more commonality in our industry than there are differences. The consumer wants choices; there isn't any one right, wrong or universally preferred

category or retail venue from their perspective.

SENDING THE MESSAGE

Maybe there's an opportunity we can learn from this for industry promotion. Perhaps we can join forces to develop an overall message for our products, whether at an industry/floriculture level or at a category level...a message that communicates the benefits of using and enjoying our products. A message that communicates the beauty, emotion, well-being, serenity, psychological and physiological benefits our products provide.

Retailers could tailor this generic message to suit the strengths and offerings of their individual companies as a point of differentiation from their competition, but the over-riding message would be consistent. Just think of the power of an industry-wide message...the power of one.

Whether this message is communicated nationally through a generic marketing promotion or just all of us individually recognizing the power of working together and including this message as part of our individual marketing efforts, the net effect can be the same...a consistent message that emphasizes the real value of our products, rather than focusing on price to sell our products, allowing us to more effectively position our industry to compete against the messages from our nonfloral competition.

And taking this thought process one step further, why can't trade associations, be they national, state or local, work more cooperatively to maximize their individual strengths and more efficiently leverage the limited resources they each have? For example, if one association's over-riding strength is lobbying on Capitol Hill and they are

effective with it, why can't all associations support them in this effort, rather than trying to reinvent the wheel? The power of one, speaking for the industry, is significantly more powerful than each individual association trying to do the same thing themselves. By no means am I suggesting that the individual associations give up their autonomy because there are many programs and issues that can best be addressed by individual groups, but where it makes sense to cooperate to achieve the greater good, why not join forces?

On the academic side, there are a number of organizations that provide research grants to universities, but without any coordination of effort, there sometimes tends to be a duplication of efforts. With the limited resources we have to fund research, especially at the land grant universities, wouldn't it make sense to set

up some sort of clearinghouse for research proposals to help prioritize the research needs and avoid redundancies?

Might this be a utopian view of a perfect world, something that would be difficult to ever achieve? Perhaps, but repeating the way we do things today will only cause us to further loose touch with our elusive consumer and perpetuate a stagnating industry focused on channel conflict, not growth. We're fortunate to deal in an industry with products and services that can be relevant and compelling to today's and tomorrow's consumer, but we need to start thinking differently.

An industry of silos or the power of one...which one will get us where we all want to go? 🏠

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