



Money, Marketing, Merchandising and New Plants

What kind of impact will these have on your business this year? More importantly how are they impacting your profitability?

By Steve VanderWoude

Imagine increasing your store's sales by 10, 15 even 30 percent. This may sound like too much hocus-pocus, and yet maybe, just maybe, you can. What is required is not magic, rather a simple re-evaluation of the way we handle plants — an awareness of the changes that are moving through our industry coupled with a willingness to embrace the consumer's thirst for new plants.

Before we begin, it will help to understand how much money the average customer is spending in your store, so let's take a look at the numbers. Over the course of a year your typical customer

will spend an average of \$35-45 per visit to your store. Given this fact, a 10-percent increase barely amounts to even the price of a 1-gal. perennial or shrub, let alone some starter fertilizer.

Yet, what would happen if your customers purchased an additional 2- or 3-gal. plant, like a rose or shrub? What do you retail 2- and 3-gal. shrubs for in your store? In my travels, I've seen prices that range from \$13.95 on up to \$34.95 and higher. At the low end this amounts to a 31-percent increase in sales; if the average is \$45 per visit, the high-end number seems almost unimaginable, a 77-percent increase. If only one out of every three customers purchased an



Top: A sampling of the Simply Beautiful POP; Right: The P. Allen Smith Home Garden Collection.

additional large-container plant, your bottom line could easily see a 10-percent increase.

MONEY AND MARKETING

How many of you have heard of Flower Carpet roses; the pink pot, Knock Out rose; weigela 'Wine & Roses'; or Endless Summer hydrangea? Chances are you know about at least

three out of the four, and the reason why is marketing. With at least two of these plants, more than \$1 million was spent on advertising and marketing.

Marketing is shaping the consumer's desire for all types of goods, and plants are no longer one of the exceptions. The question you need to ask yourself is are you really taking advantage of the marketing that is occurring?

How many of you think that you will have enough Endless Summer hydrangeas to sell this year? Maybe a better way to phrase that is to ask, are you planning to have plants left over

at the end of the year, because with all the money being put into marketing to support these plants, you don't want to run out.

An equally important question to ask yourself is how much are

EYE-CATCHING Marketing Programs

Here are just a few marketing programs out there that are well-known and are gaining popularity with consumers, retailers and growers.

Endless Summer

Bailey Nursery

www.endlesssummerblooms.com

(800) 800-5660

Endless Summer hit the hydrangea market with a bang and has been the talk of the town ever since. It is the first *Hydrangea macrophylla* that bloom on both old and new wood, with bright, colorful blooms, virtually all season long. Bailey's offers bold, colorful POP materials to deliver the message with impact, while communicating the plant's benefits. Banners, posters, billboards and hang tags all give detailed information that will help draw the customer's attention.

Nursery Select

The Scotts Company

www.miraclegro.com

(937) 642-0002

This new line of plants and plant care products is available only at independent garden centers. Soil and fertilizers, which are divided into garden and container formulations, are available now; and a supporting plant line, which will have coordinated pots, will debut in spring 2005. Though still in its infancy, the program has been strongly marketed to the trade through event sponsorships and print advertising and will be marketed to consumers through POP, a merchandising display and a yet-to-be-announced advertising campaign.

P. Allen Smith Garden Home Collection

The Flower Fields

www.pallensmith.com/ghc

(626) 918-1353

It's no secret that people watch a lot of television, and when it comes to garden-

ing, no one is more popular on television than P. Allen Smith. He's seen on his 30-minute show, "P. Allen Smith's Garden Home," on The Weather Channel, on The CBS Early Show and in numerous magazines, such as *Woman's Day*, and people want to know where to get the plants he talks about. He and The Flower Fields have designed this program for this reason. The program includes a wooden bench system with POP and coordinated pots.

Plants That Work

Novalis, Inc.

www.plantsthatwork.com

(888) 845-1988

One of the ongoing problems for gardening consumers is knowing which plant needs to be planted in the right conditions. The Plants That Work program is broken down into "sun" and "shade" plants. They are identified by colored pot wrappers: yellow for sun and blue for shade. The POP includes large, wooden display racks with "In the Sun" or "In the Shade" banners atop each rack.

Proven Winners ColorChoice

Proven Winners and

Spring Meadow Nursery

www.provenwinners.com

www.colorchoiceplants.com

(877) 865-5815

(800) 633-8859

This recently announced marketing alliance will create the first brand to bridge plant categories. Set for release in spring 2005, The PW ColorChoice logo will appear on many ColorChoice plants in an effort to encourage cross-category merchandising of shrubs, perennials and annuals. Since this program is new, the marketing support has not been fully defined, but hints include trade and consumer print and Δ

Key Components

Thanks to the container craze, foliage plants are on everyone's must-have list. And we have the best, most diverse collection of component plants available, including ten outstanding new Coleus varieties. In sun, shade, or in between, our components will transform your mixed containers, hanging baskets, and window boxes into big-ticket works of art. So if higher profits are essential to you, ask your favorite broker to fill 'er up – with components from us.

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GREEN GOODS

Are you selling these high-demand plants for? The marketing money behind these plants is not only helping to sell the plants; it also allows you to make higher margins. The question is are you making those margins? After all, who ever really believed that they could sell a 1-gal. shrub rose in a pink pot for more than \$19? Yet, retailers did, and most of you sold a lot of them. I have heard that, in parts of the country, Endless Summer is selling for \$40 per 3-gal. Why, because the marketing is there to support and drive the consumer demand.

The reality in our industry is that marketing is here to stay, and as more companies put together programs, they will continue to increase the amount of money spent on marketing and new plant promotions. Why? Because it works, and what began with a rose in a pink pot has now exploded into plant programs that are driven by marketing — programs such as Plants That Work and Proven Winners/ColorChoice. The color of the pots may change, but the net result is that the consumer is willing to pay more for plants that are promoted. Are

TV advertising, POP and other venues currently being used by PW.

Scardy Cat! MillStadt Jung Plants www.scardy-cat.com (618) 476-3694

This exciting line is meant to keep dogs, cats and rabbits out of the garden, while still making it an attractive sight to see. Scardy Cat is a variety of coleus with a pungent odor that deters dogs, cats and rabbits. It is safe and effective for keeping the animals away from vegetable gardens, flower beds, landscape areas, sandboxes and children's play areas. It will not harm children or pets and is environmentally safe. Scardy Cat plants come with over-sized plant tags in the shapes of cats and dogs and a large POP banner to match.

Simply Beautiful Ball FloraPlant www.simplybeautifulgardens.com (630) 231-3600

A widely known brand, Simply Beautiful selections offer plants for sun and shade, varying heights and spread, color and use. With its good use of POP material, tags, signage and specific care instructions, Simply Beautiful adds recognition to the Ball name. The program is supported by spots on The Weather Channel and HGTV, so consumers who recognize the brand will ask for it in the store.

Stepables Under A Foot Plant Company www.stepables.com (503) 581-8915

Stepable plants are grown as ground-covers to withstand foot traffic. The pro-

gram has been around for a few years, but recently made improvements to its marketing. The POP, designed to catch the customer's eye, features brightly colored feet and a character they call Happy Guy. Large signs, specially designed brochure holders, four-color brochures, large metal feet and plant tags are available.

Wave Petunias PanAmerican Seed www.panamseed.com (630) 231-3600

One of the few flower brands with consumer recognition, Wave petunias were the first spreading petunia on the market. The Wave petunia brand is heavily marketed both to the grower and retailer trades and consumers through vehicles such as TV and print advertising, a trademarked "Ride the Wave" logo, an array of POP and bright pink pots.

X-Rated/Hardy Boy Plants Welby Gardens www.hardyboyplant.com (303) 288-3398

X-rated plants are selected for their ability to flourish in the yard with limited amounts of water. Hardy Boy Plants has the plants that will thrive in non-ideal conditions, including low water. All the plants have tags indicating to what degree they are X-rated. The X-rated system was developed to help identify plants that take a maximum of 1-inch of water a week; X-thrives in slightly dry conditions, ½ inches of water a week; XX-thrives in dry conditions or ¼ inches of water every other week; XXX-thrives in very dry conditions. A large number of POP materials indicate which plant works the best for which areas. ☺

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MERCHANDISING

If marketing is here to stay, then the key to making this goose lay golden eggs is merchandising. When was the last time you went shopping for gro-

ceries? It is worth taking a side trip just to notice how grocery stores merchandise new products and take advantage of obvious synergies that exist between them. Peanut butter is sold next

to jelly and honey. Chips are usually across the aisle from the soda pop or only one aisle away from the beer. In my local store there are now wire racks hanging on the doors of the ice



A simple Endless Summer display utilizing available POP.

Write in 841

cream freezers holding toppings. It is worth noting that the sprinkles cost more than a ½-gal. of ice cream. Now what would happen if we consistently did this with plants?

Take your 20 best sellers and consider the impact on your business if every time one of these items left your store the compliment went with it. Now comes the real trick; think outside the box, and instead of complementing an annual with another annual, complement it with a shrub. OK, if that is too much of a stretch, at least choose a perennial. Likewise, take your best-selling perennial and complement it with a shrub or a flat of annuals.

Why a shrub? In part, because the current trend is that consumers are looking for structure and form to add to their landscapes; in part, because you should be looking for ways to increase profitability. Let's face it, money talks, and a 4-inch annual or a 1-gal. perennial will never match the revenue of a 2-gal. shrub. Let's look at some examples.

When black-eyed Susans and 'Stella d'Oro' daylilies are selling like hot cakes, what are you putting with them. For 2004, try putting a weigela with Stella d'Oros in June and black-eyed Susans in July and August. The result is that for every 3-5 perennials sold, you'll also sell a shrub. Take it one step further and add a hydrangea to the July/August display, and now your customers have two options, and in some cases may buy both. What would

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One component of the Proven Winners POP is over-sized banners.

that do for your summer sales? Your margins and profitability?

Lets look at hydrangeas: 'Limelight' and Endless Summer were best sellers in 2003 and are positioned to be that way for 2004. Both are great new plants, and the demand is due to the fact that both are being solidly marketed to not only the industry but also to the consuming public. The question is how will you complement them? Surround them with hostas and heucheras? Go for something more exciting, and profitable, such as rhododendrons, when they are in flower, or hibiscus, shrub roses or ornamental grasses.

NEW PLANTS

Like the Energizer Bunny, new plants are still going and going and going. With numerous new introductions each of the past two years, there seems to be no end in sight, so the question now might be which new plants do you feature? Then again, maybe you're like me, and you love all new plants. We all like to have customers like that; unfortunately they hardly make up the majority of our customers.

The simple reality remains that if you really want to increase your bottom line, you need to identify which plants have strong marketing programs behind them.

The key is to *really* focus your merchandising around new plants, concentrate your efforts on those that have the marketing support and ask yourself what you can use to complement them. Don't forget that the focus

is on the plants, making sure to limit your companions to two or three plants to create visual impact; too many plants causes chaos. Having added plants, now maybe add in a starter fertilizer or a fancy blue terra cotta pot.

So, while you still have time, take a few of this year's hot new plants or even last year's best sellers and decide how you are going to take advantage of the marketing to make more money in 2004. 🐰

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