

## Features

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## Evolving into a Design-Oriented Industry

*Bisser Georgiev*

Over the last 40 years, the green industry has been evolving in most incredible ways: from the Flower Power days of the '70s to the big box explosion in the '80s and '90s to the revolutionary plant genetics and technologies that were introduced during the last decade. Today, our industry is thriving, and the excitement and optimism is felt across all sectors of the supply chain.

With this comes the realization that our industry is in a major state of evolution: we no longer sell plants and pots. We create and market smart living accessories to be used in well-designed décor settings in millions of homes.



This leads us to a key question: How do we see ourselves and our businesses? Are we still in the “Farming” business or are we in the “Home Fashion” industry? The answer is quite evident: We are definitely in the Home Fashion field. With this realization in mind, we need to accept that Design is now becoming the single most important element in the supply chain of living products.

### What Are Trends?

Trends are always derived by early innovations, which address current human needs, ideas or desires. They come from fashion, travel, politics, art, environments, technology. However, ultimately all trends follow this following path:

Basic Human Needs — Drivers of Change — Innovation — Trends

For example, if we take a look at what's shaping the tone of this year's main design language, we'll recognize a few very obvious and familiar things:

- Basic human needs: Experiences vs. products, smaller living spaces, desire for what's real, MIY vs. DIY, fashionable accessories, custom art, sharing, longevity of product
- Drivers of Change: Migration to city centers, desire for real nature, lack of time, youth, easy access to

newest styles (Pinterest, Etsy, Houzz), higher appreciation of art

- Innovation (green industry) examples: Care-free succulents and cacti, magnetic pots for vertical applications, on-trend designs and colors, small pot sizes, variety in experience options (hanging, dangling, table-top), artistic packaging accessories, creative gifting
- Trends: Slow living, desire to convert “digital” to “analog,” shift from “Information” to “Experiential” Age, personalized art expressions, elevated sense for style, handcrafted products

Understanding and working with trends is no longer reserved for the black-clad enclave of fashion designers and advertising execs. Trends are becoming the blueprint for our everyday creative framework: our product ideas, our strategic road map. The best design companies create trends, while great companies understand and follow trends, and mediocre companies simply ignore trends.

## **Innovation: Outsourced or In-House**

We live in a competitive world, and thankfully, in free-market economies, competition often delivers innovation. The only question is if we should choose to scale up by buying our competition and becoming truly vertical ... or if we should outsource everything outside of our expertise zone.

At LiveTrends, we believe that the time of vertical integration, in which one company controls all stages of its supply chain, is over. It worked well in the '80s and '90s, but it doesn't do well with the speed-driven, creativity-hungry retail model of the future. You cannot expect a great farmer to be also a great designer, marketer and consumer trends expert. Even though it seems that a vertical model leads to lower costs and higher quality, in reality, it often delivers uninspiring product, sub-par service and slow reaction to innovation. All this is caused by inertia and by the impossibility to achieve top-notch expertise in every single area of a complex supply chain.

Companies in the high-tech industry recognized this fact and adjusted their supply chains decades ago. Apple is one of the best-known examples from that sector: they design and invent all of their hardware and software, but the production and assembly are done 100% by external partners.

At LiveTrends, we embraced this model since the inception of the company four years ago. Currently, we work with over 60 independent plant growers for all of our live goods needs. We're marketers, designers and consumer experts, and we'd like to let our growers do what they do best: grow exceptional plants that are specially tailored to our unique product needs. We believe that the horticulture industry will see the growth of such flexible models in the near future.

## **Consumer-Centered Focus**

During the last 30 years, the buying power has continuously changing hands. Today, the purchase decision power is steadily shifting to the hands of the individual consumer. This consumer will play an increasingly important role in shaping the success or failure of all product brands. It doesn't matter if we play in the e-commerce or classic retail fields, shifting our design focus to the end consumer will benefit both producers and retailers.

Our industry sells “beauty,” and the expectations and perceptions of “beauty” transfer faster than ever—

across societal groups, across age groups and across borders. 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.

The sweet spot of success in any business is constantly predicting what people want and always finding solutions before anyone else. This is not a "one-time" show of creativity. It's not a coincidence or luck. The best organizations that succeed are the ones who are always trying to figure out what consumers want today, and more importantly, what consumers don't know yet what they'll want tomorrow. It's no longer just about winning, but about winning by playing a beautiful game. **GP**

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## About LiveTrends Design Group

One of the interesting examples of how unique design can lead to success is the story of the LiveTrends Design Group. The company will celebrate its 4th birthday this coming July, and despite its youthful age and culture, the LiveTrends brand is becoming a well-known name in the industry. Its products are playful, full of surprise and thousands of retailers and consumers are responding. LiveTrends' unique product lines are currently being distributed at over 12,000 stores in North America on a monthly basis. LiveTrends designs and launches 150 brand new product lines every six months. The company's mission is bold, but simple: to change how living décor is being designed, marketed and enjoyed ... worldwide.

The LiveTrends' unique success comes from its total focus on trends, innovation and consumer-centered strategies. There's nothing more important than understanding what's coming next, what needs have to be solved and how people will enjoy each LiveTrends product.