

Features

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5 Takeaways from Next Level

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Despite ice and snow that crippled the South for several days, AmericanHort persevered with its Next Level conference at the end of January in the home of Mardi Gras: New Orleans.

Attendance was sparse compared to previous events (last year's inaugural Next Level and previous years' Management Clinic from ANLA), but the content itself was strong. Speakers provided a multitude of perspectives, both from a 30,000-ft. viewpoint and at ground level operations. My own personal opinion is anyone from CEOs and owners on to management level and even new employees could gain insight into garden retail from this event. So, what were the takeaways? In no certain order, here are the most important concepts I brought back with me. Were you there and saw something I didn't? Please write to me at jpolanz@ballpublishing.com and share your takeaways—we'll get them in an upcoming issue.

Setting (and Celebrating) Sales Goals

Garden center consultant Ian Baldwin always holds really informative sessions at these conferences and this year was no exception. He provided several key performance indicators for tracking and enhancing profitability throughout the year. We'll get more in-depth with these formulas in a later issue of Green Profit, but I wanted to call out one interesting item here: average sale per customer. He noted that a lot of times retailers know this figure, but don't share it with others who need to know it. His viewpoint is to share with employees and make it a rewardable event if it improves year over year. Of course, the number varies based on weather, inventory mix, etc., but if employees can improve that number from say \$48 one year to \$53 the next, that's something to celebrate. But they can't work on improving it if they aren't aware of it. There are other formulas that can track performance, but this is one you can really get your sales team behind.

The Case for Social Media

Okay, I know. If you hear one more thing about Twitter, Instagram, etc., fudgetaboutit. Well, sorry. If you want to stay in business another year, social is a necessity now more than ever. Keynote speaker Lynn Switanowski-Barrett (who, by the way, slept in the Atlanta airport overnight to get to this conference) dropped an astonishing figure: 90% of consumers research products online before purchasing. That wasn't 90% of Millennials or 90% of adults 22 to 44 years old. That's 90% of the population—including your key Baby Boomer customers. So if you have no online presence with a website, Facebook page, Pinterest boards, Twitter, Instagram—ANYTHING—you're missing the boat. Think Julia Roberts in "Pretty Woman." Big mistake. Huge.

Lynn went on to note the “bullhorn” approach of putting your message out in the newspaper, on radio or TV just isn’t as effective as it used to be. “I have to put the message in places where you can find it,” she adds. “How can you collaborate to leave lots of messages where your customers can find them?”

Another important connection she makes is reaching customers where it counts. What’s the emotional connection you can make to get the customer what they need/want? And how do you turn a transaction into a long-term relationship, which in turn, creates loyalty and gets you a bigger share of their wallet?

“You’re in the entertainment business,” Lynn adds. “That’s what retail has become—how do you take purchases and make it fun?”

Your “Only” Statement

It’s so simple, but so underused in our marketing messages. Speaker Fred Berns, a personal branding coach, directed our session through an exercise to really highlight our “only” statements. It’s not something generic like “great customer service,” but a very specific aspect of your business that you can prove you’re the only one doing it. For example: “we’re the only landscaper in our area that offers a lifetime guarantee.” It sets your business apart and can be the reason someone chooses you over your competitor. Use these statements in all of your marketing, in your store and definitely on your website, among other places.

Price Shows Value

This concept just about blew my mind. In Robert Bradford’s session on increasing profitability, he talked about clarifying your business and the direction it’s going. In other words, narrowing your business down to what gives you the most payback. It was what he said after that with regard to pricing that made me look at it in a different way.

He told a story about a businessman who bottled and sold sparkling wine. He had been selling it for \$6 a bottle—he could make 5,000 cases, but was selling far less than that. Why? Robert surmised that consumers viewed his product as poor quality because of the price. “Price is part of the communication of what you’re buying—the quality of the product,” he says. Click. The consumer values a higher pricepoint because it’s associated with quality. The businessman raised his price to \$18 a bottle and sold out.

Now, do I think everyone should run out and raise their prices three-fold? No. But your prices do send a message to your customer and I think it’s worth contemplating. What are your prices saying about your products?

I also thought this was a compelling argument: he gave several sentences to complete, like “How I Rock” and “How I Stink.” The idea being if you know your strengths and weaknesses, you can “lean” in to your strengths. “If they don’t have a reason to come to you, they will decide on price,” he adds. The other reason to identify and lean into strengths is so you can filter out the people who aren’t going to be good customers for you and focus on the ones who are.

Picking Up More Sales

Ian Baldwin has been analyzing the National Gardening Association survey of consumers about their

gardening patterns and he came up with a couple of interesting takeaways of where retailers might be leaving money on the table.

- **Food gardening is huge.** This is no surprise. Garden retailers should be taking the lead on this by offering all the essentials to go along with any kind of food gardening, including cooking classes and recipes.
- **Maintaining landscapes.** This is a category that used to be fulfilled by the independent (or as Ian now calls them, local) garden centers. However, many retailers have conceded these product lines to the box stores. This is a big opportunity to provide pest and disease controls, soils, plant foods, tools, etc.
- **Decorating/hiding what's there.** The independent retailers are winning in this category, but they can take it even farther to help consumers create the living spaces they want.
- **Self-indulgences/self-gifting.** These are the items that take a retailer into the offseason and continue to bring customers in for items like purses, jewelry, potted plants, lotions, etc.

This is just a sampling of the takeaways from the conference. Stay tuned to future issues of Green Profit to read more in-depth on topics covered at Next Level. **GP**