

## Features

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# It's Time to Think About Sustainability

*Todd Baker*

What is sustainability? It means meeting the needs of the present without compromising the ability of future generations to meet theirs.

How does the retail plant industry measure in terms of sustainability?

I surveyed the top garden retail operations in Australia, the UK and North America. None of these retailers are new, very few of them are under 20 years old and many have operated more than 50 years. Sustainability answers the question: Will these businesses be operating 20 to 50 years from now and will they be able to do so without having a negative impact on their future generations? It's a funny intersection that financial sustainability of plant retail business coincides with a consumer interest in environmental sustainability.

## Why Does it Matter?

To bolster financial success, it'll be important to address consumer interest in environmental issues. A Harvard Business Review study found that sustainably produced product sales increased 5.6 times faster than those not produced sustainably from 2013 to 2018. A Statista survey in the United States found that 20% of Millennials will pay 25% more for products with sustainability labeling. Research conducted in 2020 by IBM and the National Retail Federation discovered that 70% of consumers in North America think it's important that a brand is sustainable or eco-friendly. Loyal customers are the backbone of business success.

Are retail garden industry practices keeping up with the expectations of today's consumer? When I looked at those top retailers mentioned before, I also looked for sustainability messaging. With one notable exception, crickets! Not a word about sustainability, composting, green energy initiatives, recycling, carbon footprint. Not even an explanation about how businesses do what they do. What a lost opportunity! How did this happen?

Several years ago, I was on an IPPS (International Plant Propagators' Society) tour. Beside me was the young owner of a multi-generational nursery. We were commiserating on the then recent nursery market meltdown. He'd purchased the nursery from his parents a few years before. He was recounting a conversation he had with his father when everything went wrong. His father asked, "What did you do?" The answer was, "I did the same as you had done for the last 20 years, but it stopped working."

This is often how succession is handled in the nursery industry. We have it figured out; you just have to keep turning the hamster wheel. In the early part of our careers, we solved many problems. We put together a toolbox of skills to apply then settle down and get comfortable.

But what don't we see? It appears the customer has moved on, but plant retailers have not. Customers want things

done differently. How many of you have had a customer leave the plastic pot or tray at the checkout when they left your store? I consider this a complaint. For every complaint, Gallop polls say there are 26 customers who didn't complain but feel the same way.

Millennials have already rocked traditional products and services in several sectors. Fortunately for us, plants are high on their want list. According to SWNS Digital, a digital news wire, 70% of Millennials are plant owners. Today's houseplant-owning apartment dweller is tomorrow's homeowner with a garden. Untapped opportunity?

## **Learning From Others**

The hotel industry started to pivot a decade ago: Hotel Indigo isn't a new brand, but they have a new message. Hotel Indigo Dubai runs on solar energy. Some properties in the U.S. have co-generation power systems. They're committed to using environmentally friendly cleaning products, biodegradable food service containers, phosphate-free detergents and Energy Star appliances throughout their properties. Rainwater is collected for use on their gardens.

Hilton launched Home2 Suites in 2009. They have pools with saline systems, along with waste reduction programs, serve food on real plates (not paper or plastic) and use Energy Star appliances throughout their operations. Their landscapes are local native plants with a focus on drought tolerance. Soap is available in dispensers. Their properties are built to exceed LEED standards and much of the furniture and fixtures are made with 85% recycled material. In 2018, Hilton was at the top of the Dow Jones Sustainability World Index.

## **Taking the Next Step**

The first step is making an inventory of your business practices and products across your categories, assessing environmental impact from source, packaging, distance travelled, etc. The hotel examples demonstrate a thorough analysis of all consumables and sellable products. Once you have the pieces assembled from your inventory, it's time to start telling your story. It's worth documenting where you are, but also where you're heading. Setting aspirational goals gives your customers something to engage with and to become part of your story.

The lack of sustainability messaging has an impact on our labor supply. The lack of visible action on green issues is a talent repellent for young workers. The disconnect between how we operate and what we tell our customers puts stress on frontline staff. If you're the green industry, there needs to be a consistent plan for everyone in the organization. Just because we grow and sell plants, doesn't make our industry "green."

Today's green business has these characteristics:

- It incorporates principles of sustainability into each of its business decisions.
- It supplies environmentally friendly products or services that replaces demand for non-green products and/or services.
- It has made an enduring commitment to environmental principles in its business operations.



Back to my survey of retailers—the one retailer I found with sustainability messaging was Dobbies Garden Centres in the UK ([Dobbies.com/sustainability-policy](https://dobbies.com/sustainability-policy)). This company is the poster child for the opportunity to engage, connect and inspire our customers with our commitment to sustainability.

Your customers and your employees are changing; it's time to get on board. **GP**

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