

Grower to Grower

by JEAN D. AYLSWORTH

Store Delivery — a Growing Trend?

S OME say the supermarkets were slow to catch onto the benefits offered by floral marketing, but once they realized the profit available in plants, there has been no stopping them. From a few potted plants offered at holiday time, the supers have launched full-force into year-round sales of plants and flowers. Some of them are converting large areas of their stores into full-service floral shops.

While the move into floral has opened up new markets for growers, it has also meant relearning the ropes of wholesaling. What has worked for years for florist customers doesn't necessarily work for chain store buyers. And what worked for the chains just a few years ago is changing into a whole new system of marketing.

One grower described the situation as "a state of flux — something that's changing every day."

One thing is for sure, the supermarkets are handling an ever-increasing amount of plants. To make everything run smoothly, some chains are requesting — even requiring — delivery of product directly to individual stores rather than to a central warehouse. Is it a trend?

Here's what several growers had to say about it.

NEW MEXICO

Doug Painter, of Aldershot of New Mexico, Mesilla Park, says some chains his company deals with switched to store door delivery — but after trying it for awhile they have shifted back to warehouse delivery.

"There are two schools of thought on that," he says. "On the one hand, there is less handling and potentially fresher product if deliveries are made directly to the individual stores. But on the other hand, the chain's floral buyer is the one whose job it is to keep the stores full of product. The buyer is apt to be more of a risk-taker than the department manager at the local store who is often more concerned about shrink than about moving more product."

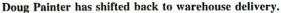
In New Mexico and West Texas, Aldershot offers store door delivery, but throughout the rest of the country, it offers only warehouse delivery.

"Our 48-foot trucks can't stop and drop five cases here and five cases there," Painter says. "Most of the chains understand that and accept it."

He says that now the chain's floral buyer is often someone with a floral background who is very familiar with plants and flowers and knows what sells.

"In the past we were dealing strictly with produce people, but that has changed as the chains are getting more heavily into floral sales," he says. "Supermarket floral departments are expanding everywhere and there seems to be no end in sight. On the East Coast, the demand for cut flowers is going up and up. That trend hasn't come anywhere close to hitting its peak throughout the rest of the country.

"There is also strong demand for flowering pot plants. Chrysanthemums, kalanchoes, and caladiums





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are our bread and butter crops, but buyers also like to see some different items such as hibiscus."

He says that across the board supermarket chains are becoming more sophisticated about floral marketing.

"As they become more accustomed to handling floral products, there will be fewer problems at the warehouse level," he says. "And since local growers probably won't be able to supply the wide assortment demanded by the individual stores, I think we will still see a lot of warehouse delivery. In fact, I would say that the majority of chains will be sticking with it."

MICHIGAN

Don Dickerson, of **Dickerson's Greenhouse**, **Gobles**, says he's been selling to supermarkets before the chains even existed.

"I started selling to stores on consignment in the 1930s," he says. "The stores would get 20% and I'd get 80%. Once they saw the profit in plants, they started wanting more."

Now, he says, nearly every supermarket chain he deals with is increasing floral sales. Some chains are asking for direct store delivery, although he prefers to deliver directly to the warehouse.

"With warehouse delivery we can easily hire a semi and a driver to do the job," he says. "With just one stop, the driver doesn't have to be skilled. But for direct store deliveries, we'd have to find drivers who are more skillful and who know the area. It would cost us more."

He says some of the chains prefer direct store delivery because it eliminates the amount of boxes they have to handle. With one chain close to his greenhouse he delivers unsleeved plants to the individual stores.

"There are no extra boxes and no broken plants," he says. "When the plants are put on display, they look just like they do here at the greenhouse. In this case it's easy to do because it's a local chain."

While he says most chains will still accept warehouse delivery, he expects that to change in the future.

He says that over the years he has seen many changes in dealing with the supermarkets. One of the biggest changes has been the move from working with produce buyers who knew nothing about plants to dealing with highly educated plant purchasing agents.

"The supermarkets have become more sophisticated when it comes to floral marketing," he says. "They know what they want and if you want to do business with them, you have to meet their specifications."

PENNSYLVANIA

"We deliver directly to the individual stores — that's our preferred method," says **Gaylen Gerrish**, owner of **Hilltop Flowers**, **Bloomsburg**. "We have made warehouse deliveries, but it doesn't make sense to drive right past the store to deliver to a warehouse where the plants will be shuffled around and then delivered to the store by somone who knows nothing about plants. We prefer to deliver to the store in our own trucks. It's more expensive and more timeconsuming, but this way I know the product gets there in good shape."

Gerrish deals with two chains and says they were surprised that he offered to deliver directly to the stores. "It doesn't make sense to drive right past the store to deliver to a warehouse where the plants will be shuffled around." — Gaylen Gerrish, Hilltop Flowers

he says. "By offering that service, it gives us an edge over those who will deliver only to the warehouse."

He says some growers are reluctant to offer store door delivery because chain store districts may be spread out over a large area and deliveries can be inconvenient.

"You might have to deliver to a store in Timbuktu, but if a chain wants you to cover the entire district, that's what you have to do," he says. "I try to stick with the chains that are within a reasonable distance of my greenhouse."

Gerrish sells a wide range of flowering potted plants to supermarket chains including chrysanthemums, "They never expected us to do it," poinsettias, tulips, and hyacinths.

"The supers are looking for more variety, but they still like the staple items such as mums," he says. "I am noticing, though, there's more demand for upgraded product. They don't want plain pots brought in and plunked down. Everything has to be foiled and it helps if you add a miniature foil balloon or other novelty. Stores are demanding more quality than ever before."

He says supermarket chains are paying more attention to floral marketing because profit margins for plants are sometimes more than double those for grocery items.

He also says supermarkets today are doing a better job of handling floral material once it's in their stores, though he admits there's still room for improvement.

"I walked into a supermarket once and saw a produce clerk misting a 99¢ head of lettuce while an \$8 poinsettia nearby was wilting," he says. "Sometimes they still don't understand the dollars and cents of floral marketing."



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