

Growing the Plant Is the Easy Part, Selling It at a Profit Is the Challenge®

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INTRODUCTION

Nurserymen are our own worst enemies when it comes to putting a value on our plants/effort. I have never heard of a grower going broke because he put up his prices, but the trick is having good stock at the right time in the right market. After years of being in business and worrying about my prices, the penny dropped! I am in the market, not to sell plants, but I am selling time and should start charging accordingly — after doing this, we started to make more than a living!

REASONS WE ARE IN THE BUSINESS AND SKILLS REQUIRED

The following are some reasons we are in the nursery business:

- Because we love plants
- I wanted to be outside and not stuck in an office
- I inherited the business from my parents
- I could see an opportunity to make some money
- I like the lifestyle and the long hours
- It seemed to be a good idea at the time

As a nursery operator, the following are some skills we need: propagator, soil mixer, irrigator, tractor operator, greenhouse builder, salesman, marketing manager, accountant / business manager, dispatch operator, truck driver, purchase officer, maintenance operator, boiler attendant, telephone operator, human resources manager, credit controller, payroll officer, builder, architect, planner, financial risk taker, computer wizard, plus any other skill that requires us to pay money for.

Once we decide to grow something, we then proceed to learn by the seat of our pants all the other skills we never thought of.

I am a great believer in that everything we do is cyclic. Take clothing — what is in this year is out the next, but back in three, plants are not quite as quick but if you can find a 1970s catalogue, you would be amazed how similar the stock available then appears to today. Also you would be amazed on how little your prices have risen from that period. What we are looking for is not necessarily the exact plant, but more the style of the plant, e.g., strappy leaf or flowery shrub, conifers!!!! We are in a period of what we want is NOW, we want instant gratification, not prepared to wait, because of mobile phones, internet, and similar modern means of communication.

The decision to grow a particular range of plants is often made simply because we like it or worse still — so and so (in your market area) is growing it and is getting good money for it, then there must be money to be made. Well if we go down this track, generally we survive and complain of how tough this industry is. If, however, you can grow a better plant, different size, have a better delivery service, better presentation and price above your competitor, then yes, by all means, grow what he has. Often the success of a product is not necessarily being radically different but it is

all the little things that go into supplying the plant to the customer. Prime case is herbs in a supermarket!

POINTS TO CONSIDER WHEN CHANGING DIRECTION

Here are some points to take into consideration as you proceed to change direction:

- Do I join a marketing group or create one to spread the risk?
- Where do we sell it? Box stores, hardware groups, independent garden centres, general public, landscapers, councils?

Then how do we come up with the right decision?

- Market research...this sounds expensive but is it?
- Read about trends in gardening magazines, trade journals; try and get hold of other countries, or other markets journals.
- Get out and around the garden outlets and see what people are buying.
- Ask your wholesale customers what they are short of, and what time of the year they need it (often they don't know themselves — they always ask what's new this season).
- Visit trade shows in other markets; even better do an IPPS pre-conference tour in a different area or region.

Then there are promoters of plant material on the lookout for new growers servicing a different section of the gardening market. Often these plants come with promotional material, labels, restrictive propagation rights, and quite strict guidelines on what and where you can sell these products. You have access to the master information, but invariably it is still up to the grower to get the message across in your local market. Some groups do it very well (Tesselaars International with Carpet Rose) but smaller promoters don't necessarily go the full way, which means the grower generally carries the monetary risk.

A Warning. Just because a plant is promoted either inside the trade or directly to the public, there is no guarantee that the plant will be a success, in your market. From personal experience new plants often sell out in the first season then slow down in the 2nd and 3rd and then slowly become accepted. Of course there are always exceptions and the trick is how do you guess it; constant feedback from your customers is critical.

QUESTIONS TO ASK

- What is the shelf life of the plant?
 - Flowering plant maybe 3 weeks.
 - Green shrubs 6–12 months.
 - Seasonal crop (mums) 5–10 days.
- How many of them?
- Which container size and how big and which colors?
- Will it still popular after 5 years, spurred on by ongoing releases of new colours?
- What price can we get for it? Often a larger pot calls for a higher price and also helps to offset base costs (a small plant, label and dispatching costs stay the same whether you sell as 4-, 6-, 8-in. pot size)

- Which particular customer is going to buy it?
- Retail or wholesale?
- What will it cost me to grow it and how long do we have space or can we make it? Are there any short cuts we can do, i.e., buy larger plantlets, grow for a shorter time?
- Do we grow only for order or the open market?
- Westland's market.
 - Primarily wholesale (60%) selling to buying groups, supermarkets, nurseries, box stores, hardware shops, florist, etc. Main pots sizes being 140 mm and some 200 mm.
 - We also sell directly to the public, landscapers, and councils. Main product line is more advance stock, trees in 45 L. Up to 200 L easy lift bags. This side of the business trades 6 days a week.
- Are we the sole grower or will there be other growers in the same market?
- Is it different enough to create a buzz (sizzle)?
- How are we going to advertise to the public?
 - Press, radio, store catalogue.
 - Television (garden programs often introduce new products at no charge).
 - Flyers to your customers.

CONCLUSIONS

Trying to pick trends is like trying to buy and sell at the bottom and the top of the stock market. The most profitable way isn't picking up the plant at rock bottom price or selling at the top end, it's producing and offering the best service possible, within your operation to your customers! This could cover retailing or wholesaling.

Customer service has a direct effect on your business, so management needs to be constantly creating excitement with your staff. If staff morale is high, then business does well, we all know from personal experience where we prefer to shop, it's the little things that keep your customers coming back and well trained staff is your biggest asset; it is also the hardest part of the business.