

Experiences in Launching a New Plant Product Range[®]

Pat Mc Donnell

Springfield Nurseries, Dungarvan, Ireland

Email: springfieldnrs@eircom.net

INTRODUCTION

Springfield Nurseries is a small nursery specialising in fruit trees. I developed a miniature apple tree product range that we called "Coronet." It has been on the market since 1998 and is now selling in Ireland, U.K., and Europe. This paper shares our experiences in product innovation using Coronet as an example.

Product innovation is the development of a new product or the restyling of an existing one. It could involve changing the appearance of a plant so that it has, for example, brighter colours or more flowers. It could also involve changing the image of a plant so that the market perceives it as having a higher value.

PRODUCT DEVELOPMENT

During the 1980s and 1990s the apple trees supplied to garden centres would end up as large trees, up to 5 m high and wide, in consumers' gardens. They did not fruit for about 5 years and required annual pruning. There was an obvious need in our market for an apple tree more suitable for the modern small garden and the modern gardener.

I spent much time experimenting with different possibilities. Eventually I settled on a tree on the very dwarfing M27 rootstock, holding it on the nursery for 5 years instead of the normal 3 years and making sure it formed plenty of fruit buds. This could be presented to the market as a tree that would remain miniature, crop immediately, and not require pruning.

MARKET DEVELOPMENT

This had three aims: (1) To protect the product from would-be competitors; (2) To inform and persuade the market (garden centres and the public) of the properties of this new apple tree; and (3) To project it as an up-market product.

Protection. We named the new range of trees "Coronet, the miniature apple tree" and developed a logo. We had this name and logo registered as a Community Trade Mark. Registration provided limited protection.

Presentation. Much effort went into presentation — including ensuring the quality of product — developing labels, point of sale posters, and sourcing an appropriate pot. These elements of presentation continue to be evaluated and improved.

Promotion. The product was promoted in both the trade and the public arena by newspaper and magazine articles, mentions on radio and TV shows, and our own promotions.

MARKETING THE PRODUCT

Ireland. Coronet was launched at the Kildare Show, the main nursery trade exhibition in Ireland, in 1998. Sales in Ireland went very well. The product was well

received by the trade, we had an excellent response from the media, and our own promotions also helped. As a nursery product it became well known in the public domain. Sales built up quickly to a peak in 2000.

United Kingdom. The product was launched at the U.K. trade exhibition, Four Oaks, in 1999. We applied the same strategy that had worked so well in Ireland: promote the product in the trade and the media. It was well received, but this did not translate into sales. Publicity was not as easily achieved as in Ireland, and promotions were very expensive. Our business was not attractive to English garden centres since we were a small business that they did not know and we had only one product. Large buyers were not interested in dealing with us. We learned that such products are sold through wholesalers in the U.K. Eventually we dealt through wholesalers and are now doing a steady trade.

Europe. Promotions and publicity were not an option in these huge markets. Instead we carefully researched the market first in Holland and then in France. We approached up-market garden chains and sold directly to them — initially offering small trial lots and subsequently container loads. In Germany we are selling through a wholesaler.

FOLLOW-UP PRODUCTS

A new product will command high sales for a limited period. Follow-up products are needed to maintain sales and interest in the brand.

We developed two follow-up products:

- 1) A self-fertile, disease-resistant Coronet, so that one tree would suffice in the garden instead of the usual two;
- 2) A two-cultivar tree of very good quality.

Each of these had their attendant labels, sales posters, and promotions.

In Ireland we launched all three products within the first 3 years. This was a mistake: we launched them too quickly and had no further new products to maintain interest in the Coronet brand. Sales in Ireland dropped as a result. Our strategy for other markets is a slow introduction of new products.

CONCLUSIONS

We now have 9 years' experience of marketing Coronet. Some conclusions are positive and some negative.

On the Positive Side.

We have a good product that has commanded a premium price;

Our presentation is good, and we have good follow-up products;

We have good contacts and a good standing in export markets that we could use to introduce new products.

On the Negative Side.

The whole project was a huge undertaking for a business of our size. It involved a great deal of effort and a big financial risk. It would be more suited to a larger business with more staff and a bigger cash flow.

We entered the U.K. with a poor marketing plan. We were unable to exploit the initial impetus of the new product and had to change our strategy after some years.

Product R&D is a fancy name for using your knowledge and experience to think up new ideas. Some of these may be outlandish, many impractical, but the odd one may be the seed of something worthwhile. What is needed is an enquiring mind and the confidence to follow up something you think might work. Product innovation is within the scope of most growers. It involves about 1% inspiration and 99% perspiration!

Markets for many items of nursery stock are now over-supplied and over-competitive. The future for some nurseries, at least, lies in developing new outlets. Product and market innovation are central to such developments.