

On the Way to the Market: A Retailer's Perspective on Plant Branding®

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INTRODUCTION

Members of the business world from outside horticulture emphasize the importance of branding products. Plant developers and growers frequently express that plant branding is the wave of the future.

Garden centers however, often convey differing views. I surveyed personnel at over 50 garden centers throughout northeastern United States. What follows is a synopsis of the information, ideas, and opinions expressed by plant retailers, peppered with my experiences working at a garden center in central Pennsylvania for 13 years.

BRANDING AND THE RETAIL PLANT INDUSTRY

While branding is extremely prevalent in most businesses, the plant industry has not embraced the concept to the same extent. Many in the green industry have chosen their career for their love of horticulture and have not focused on business-related concepts.

Garden centers have always carried branded nonplant products. Fertilizers, pesticides, soils, tools, even furniture, all bear evidence of branding. Customers recognize and ask for specific brands when they shop for hard goods, and garden centers realize the importance of offering them. Most garden centers look for brands not carried by mass merchandisers. Many sell one or several lines of major national brands but, because they cannot be price-competitive with large retail chains, do not promote them. Many garden centers indicate they increasingly focus on organic alternatives. They see an increasing market for these products. Organic, earth friendly options fit the philosophy and image of many garden centers. These products also provide differentiation from box stores.

Recently, many plant developers and growers have begun to create recognizable brands for their products. Plants with pots, labels, and wraps adorned with company logos and names are prevalent now.

While garden centers have sold and appreciate branding of fertilizers, soils, pesticides, and other hard goods, branding of plants is a relatively new phenomenon. Retailers offer a mixed review of plant branding. There is apprehension and skepticism expressed about the subject. Retailers have sold nonbranded plants for years, and many are resistant to change.

DO GARDEN CENTERS SELL BRANDED PLANTS?

Garden centers were asked first if they sold clearly branded plant material in their store and if so, was it by choice. Some garden centers replied yes, they sold branded plant material at their store by choice. For them, carrying the brands they chose was important.

The largest percentage indicated they sold some branded plant material largely by happenstance. They did not actively search out the brand. Perhaps the only way to acquire a particular plant was with branded packaging; or the most convenient source used branded pots and labels; or one of their vendors offered a special program to try.

Some replied they sold branded plant material as a last resort, when it was the only way to get a plant their customers wanted. Garden centers that grow their own plant material often will not use pots branded with another company name in their own production. However, if necessary, they would buy in finished plant material with branded pots.

A couple replied they will not have any branded plant material in their store at all.

DOES BRANDING HELP SELL PLANTS?

When asked if branding a plant increased sales, the response was mixed. About half answered no, some with certainty. For this group, nonbranded plants sold just as well as the equivalent branded plant. The other half indicated that it depended on the brand. Some branding efforts help to increase sales while others have no effect.

The majority surveyed indicated that customers do not ask for branded plants by name. Most don't know or remember the brand names. However, customers have begun to recognize the brand packaging once in the store. Recognition generates familiarity and consumer confidence, encouraging sales of the product. Customers generally ask for a plant by name or description. When the plant name is part of the brand customers often know the brand but do not realize it is any thing other than the name of a plant.

WHAT FACTORS INFLUENCE THE EFFECTIVENESS OF BRANDING PLANTS?

Several factors were repeatedly offered as contributing to successful plant branding.

Advertising. Advertising is a key ingredient for brand success. Advertising can generate enthusiasm for a plant or group of plants. Garden centers do not often have the budget to advertise individual items. Yet, all know the value of gardeners excited about "hot" new introductions — the plants that everyone is asking for, the plants that bring customers to the store.

Quality. Plant quality is equally important. Brand names must be supported by quality. Inferior plants will reflect on the brand image. Poor quality plants do not sell, branded or not. Some garden centers indicate the only reason they carry a particular brand is because of the plant quality. In these instances, the brand name makes no difference.

Performance. Successful branding of products requires customer satisfaction. When the product is a plant, satisfaction depends not only on plant health when purchased, but also whether the plant performs as promised. When a plant does not reach the consumers' expectations, they are hesitant to repeat purchase of the plant or brand. Many garden center buyers believe the reason for the success of a particular branded plant is simply that it is a "great plant" and performs as specified.

Most garden centers buyers have been disappointment by plants that did not perform as promoted. Many believe that new plants are not tested well or tested for their climate. Dissatisfied customers lose not only confidence in the plant and the

brand, but also in the garden center. This erosion of consumer confidence is hard to overcome.

Clever Name. A catchy recognizable brand that identifies the plant is fundamental. Brand names that tell the customer something about the plant, that it is native, or you can walk on it for example, are more likely to be successful.

Internet Presence. A web site with product information provides the growing number of computer savvy customers assistance with their purchase from home — a clear aid to many garden centers. Web sites that enable users to locate a store carrying their plants are an aid to retailers. Sites that also sell the product directly to the customer were not appreciated, however.

BRANDING DILEMMAS

Plant branding has presented some new challenges and difficulties for retailers.

Store Image. Branded plants do not fit the image of many garden centers. Most want to be known for their uniqueness. When garden centers carry branded plant material found at other retailers, they lose some of that uniqueness. The uniqueness is what brings many customers to their store.

Many garden centers believe branded products look cheap and create the appearance of a mass merchandiser or discount store. The look of branded pots and other “point-of-purchase” (POP) materials does not fit the atmosphere of all stores, especially sophisticated upper end outlets. It is the ambience, the shopping experience, the feeling of the store that attracts customers to many garden centers.

Plant Availability. If a brand or plant is promoted there must be adequate, consistent stock available to meet the demand. Having the product when the demand exists is crucial. Public excitement over a new plant lasts for a limited time, and garden centers want to be able to capitalize on it. Garden centers are frustrated with the frequency that an advertised plant is not available, or only in limited supply.

Plant Selection. A branded collection of plants should have unique selections different than those already offered, otherwise the increase in cost couldn't be justified. New or novel plants in a collection are important, but should be superior performers. All plants in a collection must excel or brand reputation will not last.

Price. A few garden centers refuse to pay the extra cost for branded packaging believing it does not add value. For most, though, the increased cost for the branded plant is not a problem. However, plant quality and performance must justify the price increase.

Some retailers experience difficulty offering the same plant at different prices — the branded one higher than the nonbranded. Garden centers whose customers are price conscious find that the cheaper plant will always sell first. When price is no object for the majority of customers, in many cases the branded pot with the pretty tag was more likely to sell.

Branded Packaging.

Pots. Most garden centers prefer unmarked black, green, or terra cotta pots and believe plants sell equally well in them. Plants in a wide range of pot colors can create chaos on the sales floor. The pots often spoil the effect of the display or do

not fit with the style of the store. The packaging should not draw attention away from the plant. Some bright or multi-colored pots actually compete with the plant. Light colored pots are ugly when they get dirty especially when they are set on the ground as with shrubs.

A few garden centers indicate that certain branded pots have been very effective. Some have also questioned whether the aversion of garden center personnel to the colored pots is not reflective of the customer's impression. Many retail workers pride themselves on creating beautiful displays and consistent appearance throughout the store. These efforts may be lost on the end consumer.

Labels. Labels created for branded plants can also cause problems. Often the brand logo is the most visible information on the tag — taking the top spot. The plant name should be visible. If the name is on the bottom half of the tag, chances are it is buried in the soil. Pictures on labels are vital for sales, and larger is better. A few suggest that some labels are inappropriately big — dwarfing the plant.

Point-of-Purchase Materials. Several garden centers are delighted with the POP materials provided by plant developers and growers. The merchandizing tools attract attention and encourage plant sales.

For others, POP banners and posters are hard to use on their sales floor. They must withstand extremes of outdoor conditions — rain, wind, and sun. Most garden centers don't have the proper holders to mount large signage. Point-of-purchase materials come in many sizes, making it difficult for garden centers to devise a universal solution. A couple garden centers will not use any POP materials; they believe it is not compatible with the upscale image of their store. Point-of-purchase materials can also be very expensive and hence prohibitive.

Space. Smaller garden centers often can't devote space to individual displays for particular brands. When branded plants are mixed in with other plants, the effect of the brand is diluted. There is a limit to how many different brands any garden center can accommodate. A sales floor is confusing with too many.

Grouping plants by brand makes it difficult for customers to shop for a particular plant — especially when the same plants are in more than one display. Many garden centers alphabetize or group plants in a way that is not compatible with branded displays.

The Garden Center Brand. Many stores want to brand their own name. They want their customers to recognize their name first and be loyal to their brand. Some who grow their own plants use pots embossed with their name or logo. Often they promote their product as locally or home-grown plants that will thrive in the area. They do not want to advertise, promote, or even compete with other brand names in their own store.

WHAT CREATES PLANT SALES?

Even with all the aforementioned branding dilemmas, many retailers do not want to discourage growers from helping them be successful. Some branding efforts have been effective, and garden centers appreciate it. All agreed that advertising by plant developers and growers has generated increased sales. Garden centers can use help to increase plant sales.

When asked what factors influence plant sales, all garden centers put quality on the top. Premium quality plants will sell. Of equal importance for most was customer service. Knowledgeable sales staff can create sales. It is also important for garden centers to offer service to attract customers. Plants with blooms sell drastically better than those without. How plants are displayed also has a major impact. Most felt that price or plant brand was rarely a determining factor.

The best way growers can increase plant sales is to offer high quality plants and have an adequate supply of plants in bloom at the appropriate time. The grower that can provide this consistently will be the one chosen to supply the plant material.

FUTURE OF PLANT BRANDING

The final question addressed the future of plant branding. Do garden centers plan to sell more branded plants? Do they want to see more plants branded? Many answered no without hesitation. They believed there are too many brands already. Even some who have experienced success with branded plants suggest there is already an overabundance of plant brands. A few were indifferent, indicating they will inevitably sell more branded plants because more growers are using brands. Others are keeping an open mind and are willing to try new branding efforts.

One garden center manager plans to continue carrying branded plants but not the same ones. She believes most plant brands will not be effective for many years. Bringing in new brands while eliminating older ones will keep the shopping experience fresh and exciting. A few other garden centers also noted particular brands were at first popular then declined or leveled off in sales with time.

All garden centers articulated that they do not want to carry the same branded plants sold at the mass merchandisers. Many see the quality and selection of plants now offered at the box stores as a clear threat. The garden center needs to be unique to attract customers. Plus they often cannot be price-competitive. Several expressed dissatisfaction when plant brands initially offered only to independent garden centers went to a box store. When garden centers lose the original offer of exclusivity for a particular plant brand, distrust can develop. If they remain loyal to a brand by providing optimal sales space for the product and promoting the brand, they expect the brand developer to be loyal to the garden center in return.

CONCLUDING QUESTIONS

Why is indifference or rejection of plant branding common in the garden center industry, while branding of other commodities is accepted and welcomed by other retailers? Will garden centers discover the benefits of branding over time and embrace the idea? Or do the resistant garden centers know something about plant sales that transcend what the business world purports? Only the future will tell....