

Who are our future clients? The cultivation of the new generation

By Giovanni Carlini – Sociology Professor from Italy

ABSTRACT

As it stands today ,the typical Plant Nursery, is in danger of extinction, thanks to large - scale retail trade. Even though, approximately 91% of all nurseries are family- owned, the turnover is rapidly falling, with respect to large- scale traders.

By adapting an innovative approach to business, small nurseries can attract customers of various ages to overcome this crisis. The nursery can become an educational place for school children, who may attend environmental lessons and workshops on location. Family relations can also be enhanced by encouraging grandparents to take young grandchildren to potting classes after school and families to spend their Sundays relaxing whilst the children are entertained in a play area. Parents may also purchase children's gardening tools and games.

Several case studies of nurseries are discussed and the results demonstrate that when a nursery starts to provide children's activities, there is an increase in 25% profit after 5 years .Experience has shown that even if the physical space dedicated to the children's workshop/play area is small, returns may be about 30% after 12 months.

In conclusion, initial results to this innovative approach in Plant nursery business, have shown that small businesses can survive competition by large scale traders, if they flow with market tendencies. A small investment will reap rewards now and in future generations.

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The conventional Plant nursery has no future, as it is being crushed by large-scale trade, which relegates it to a section of a department store in a shopping centre or a mall. What can be done?

INTRODUCTION

About 91% of all plant nurseries (in Italy and a little less in Europe and North America) are family owned, and therefore managed privately and independently, with respect to large scale traders such as Wal mart, the Home Depot in the USA and Viridea in Italy. Unfortunately, we can observe that their profits are in rapid decline, in favour of the large scale traders. If private nurseries are to survive even only awhile, they could make life difficult for large traders by proposing new styles of trade to attract clients, so that they may be seen in a different dimension and gain independence again.

A NEW STRATEGY

The concept of “new market” revolves around a class of clients differing from the previous who are involved in other sectors. The newer rules of marketing and the riskiest experiences (see method Nexity in the real estate field in Italy and in France) describe a client that becomes familiar with the brand and the product. If this process is initiated, as well as customer acquisition, you enter a circuit of repositioning of the offer. The number of products in the catalogue decreases so that you reach exactly what is desired by the clients therefore lifting the index of rotation of stocks. After that you have to seek new markets inside and outside the ones that already use the plant nursery for traditional purchases, instead of as a result of planning and search for well-being.

KIDS AND THEIR LOVED ONES

It is well-known that plant nurseries do not have agreements with nearby schools, in the school year, the students and make them work, In fact young people aren't trained to re-pot plants and flowers and do not know the about the effects of changing seasons on plants, let alone the names of flowers. Wouldn't it be nice if plant nurseries took school groups for various workshops, so that students could make flower compositions, get their hands dirty and finally take home a free product displaying the nursery's label. This would help parents realize that nurseries not only sell products but provide a play area and entertainment.

Ideally, a nursery would be transformed from a shop to a meeting point with a bar, newsagent's, swimming pool, cinema, lecture room, workshop (where older people with or without their grandchildren could re-pot plants which in turn could be sold). Let's go back to the “inexperienced” youth, the loss of whom as a customer, not only means a late entry as an adult nursery customer as he needs to mature a green thumb, but also needs to deepen his affection for parents and grandparents by giving them plants and flowers on special occasions.

THE DIFFERENCE BETWEEN STAYING ON AND DISAPPEARING FROM THE MARKET

According to an ongoing study between Green UP(the Dutch Office for flowers in Italy)and the Faculty of Sociology, Catholic university of Milan where the experiences of the Italian group Viridea and others in England are compared, it is possible to quantify the turnover for a nursery derived from the involvement children and teenagers in workshops. A nursery which can open its doors to young children, through workshops and play areas can count on an increase in profits of about 7% per annum. This would come from an objective increase in turnover rather than a saving of internal expenses, meeting client demand. If so, then a nursery which expands its services as described would increase its turnover 25% in 5 years with respect to one which had not opened its doors to this segment of the market. If this type of deduction is confirmed it would make the difference between who stays on and who leaves the market.

Figure1 .difference in profit between 2 nurseries

Traditional nursery

Innovative nursery

Source: Ongoing studies of several companies- data-29/05/08

CASE STUDY 1: NATIONAL GRANDPARENTS' DAY (2 October)

Italy has an ageing population and as such there are 14 million people we could define as "grandparents"; many of whom still work (17.3%) and most of whom have children and grandchildren. Over 50% is under 64 and 23% is less than 54 years old. In modern society grandparents maintain a key role in family life and its social relations: 70% look after grandchildren, 82% baby-sits them in their own home and 85.4% play with them. On average grandparents dedicate 18.1 hours per week to educate their grandchildren and in 57% of cases they do it because the parents work. We observe that 95.7% gives a financial assistance to their grandchildren. A study conducted by Lorien Consulting at the end of 2005 commissioned by the Regional government of Lombardy, concluded that 95% of grandchildren judges the relationship between the two generations to be positive. This relationship is at the heart of the strategy adopted by the Head of the Dutch Flower Office; engineer Charles Lansdorp, to broaden the role of nurseries in modern society.

The reasoning is the following: if grandchildren and students are educated in nurseries to love plants and flowers through recreational activities, games and workshops, grandparents will directly benefit from this. Grandparents could pick their grandchildren from school (or nursery) and become involved through their grandchild's description of the activity often receiving a free gift from the same nursery. In fact the child takes home his "creation" after the workshop, made using vases and plants showing the company logo, as well as a small gift card with a dedication.

If all this helps to relax family relations, parents will also become involved, and induced into spending their Sundays at a nursery which is no longer just a shop, but also a meeting place.

Charles Lansdorp's wife, Tanja Kok, a Dutch woman who lives in Italy, has founded the "feline" choir" (that is the "kitten" choir, see website www.ifelini.it).As well as creating a reason for pre-schoolchildren to meet, the choir has consented direct communication across the three generations, through the use of song and flowers as a message of love.

The flower culture has become communication and business for nurseries. Its new clients have adapted to this flow and culture. Therefore it was not a surprise when Mr. Lansdorp appeared as an official speaker, for this topic, at the Super Flora Show in Orlando in June 2008 www.superfloralshow.com for workers of the flower industry, in which the number of plants and cut flowers supplied to large-scale traders are planned, discussed and analysed.

CASE STUDY 2: A BRITISH NURSERY BY NIEL GRANT

Garden-Glorious (www.garden-glorious.co.uk) which lies in the vicinity of Manchester in the North of England, has invested substantially in young children and their activities. They started with the website and proceeded with technique of hosting children. You can read the following in the official site:

"Have you noticed that small children always want to help when you are gardening? Young children love to imitate adults, so the care we dedicate to our environment today, becomes a part of the character and culture of future generations."

The area dedicated to this project is only 6 sqm in a nursery with a total area of 10,000 sqm. However the returns are approximately 30%; that is 1.4 million pounds. It's impressive how such a small area can reap such high returns! Mr Niel's Nursery has about 80,000 visitors a year each spending 17.50 pounds on gardening tools and toys such as buckets and spades, small vases, toys coloured chalk, miniature blackboards and coloured paper. They also buy plants and animals, for example; bulbs in transparent containers, gold fish, fish tanks and pet's baskets.

"Mr. Grant, thank you for accepting an interview by Green Up. Could you explain your innovative strategy? *"In the last 12 months, there has been an increase of 30% on sales of children's garden products. However serving kids in a nursery doesn't only mean potting plants in vases to give away, but is a way of establishing a relationship between them and the environment through workshops, entertainment and play. And finally it is also necessary to move away from play to make older kids more aware and teach them the importance of the environment through vegetables and plants provided to schools. If kids have to look after their plants at school, year in year out, this makes them more responsible in a general sense."*

Figure 2

Return on turnover per dedicated space

Space available

return on turn over

The data here summarised is referred to the experience of Mr. Grant's English nursery, which is different from the Italian group Viridea, even though confirming the tendency.

CASE STUDY 3: Viridea Srl Agricultural Society

Due to the huge success of the Viridea's initiative, the play areas of Viridea's Garden Centre (six outlets in Lombardy and in Piedmont) are managed with the co-operation of **Ravensburger** (an important brand of children's toys).

Luca Pelliciarì comments, *"The play areas are placed in a broad socializing context; outdoor life and the attention that Viridea dedicates to families. They are cheerful and safe, both indoor and outdoor (including a fully equipped play ground), where children can find lots of games (bingo, puzzles, memory and other board games, etc), thanks to Ravensburger. That's why Viridea is a centre of attraction, not only for purchases, but also as a place to socialize and relax, designed to meet everyone's needs and interests; for both kids and grown ups."*

The company's awareness of children's themes is reflected in the development of an Educational branch. **Viridea Educational** was created to promote diverse activities and increase awareness of the environment and to educate both adults and children. The decision to operate in this sector comes as a response to one of the values of Viridea; that is, the desire to promote a lifestyle which is responsible and respectful of man and his environment by spreading knowledge and awareness. Amongst the activities of this branch are several projects in partnership with stable companies of the education sector, and one in particular of "Pollicino Verde" (Green Tom Thumbs) which was self-initiated.

Okay , a school magazine (see information on www.viridea.it and www.scuolaokay.it) in Italy, has helped spread Viridea's project for children of preschool through to middle schools. Through this widespread monthly magazine, Viridea opens the doors to nature, inviting classes to discover its charm and curious secrets. There are three coordinated and complementary programmes:

- 1) a learning kit composed of two small green houses with everything to germinate violets and tagetes, mailed to the classes for free.
- 2) Nature workshops: excursions to Garden Centres where students can follow detailed lessons according to their age group.
- 3) *The garden I would like*..is a drawing competition for schools where the winner receives a flower bed for its garden. The previous edition recorded 4,000 small greenhouses being delivered to schools, over 1,700 drawings received and over 450 students attending nature workshops with a total of 50,000 students and teachers reached by the educational project.

Finally Pellicciari specifies, “We have invested lots of energy to make Viridea Garden Centres “special” places where experiences, entertainment and shopping (thanks to over [55,000 people attending](#)) merge into one. We intend to satisfy a certain lifestyle , which we think in turn is the key to satisfying customer needs.

As far as the investment and profit involved in the activities mentioned, that’s another chapter. Viridea Educational comes from a general feeling of responsibility and concern (something which we absolutely did not invent), a necessary quality to orientate decisions, so that these may be responsible decisions. The next step is the need to work with children. This means opening the doors to our “ world” which I am certain will allow us with time to count on groups who are deeply concerned about the environment, nature, and plants and are a guarantee for our work.

If we need to quantify the investment, let’s say we could estimate a figure of about 50,000 Euro across various children’s projects. How much does this earn? We are sure that the “ returns” we’ll benefit from in the future won’t be proportional to the amount invested but a whole lot more!!

Conclusion

The experiences discussed, currently are at an experimental level but they make the difference between those who flow with the market and those who don’t. There is no doubt *who* will survive in the future.