

Digital Tips from Reinvention Summit
September 2020, More Online

Community Activism Reaps Benefits



Kristie Lee and Stacie Lee Banks, AAF, Lee's Flower and Card Shop, Washington, D.C.

Since the early weeks of the pandemic, Stacie Lee Banks, AAF, and Kristie Lee, have been inundated with texts and emails offering advice and funding opportunities, including the PPP loan, a micro-grant for small businesses and even hours of pro-bono legal work from an internationally known firm. That goodwill reflects years — 75 to be exact — of relationship-building the sisters, and their father and grandparents before them, have done as owners of Lee's Flower and Card Shop in Washington, D.C.

"When you're good to your community, your community is good to you," said Banks, a former "Small Businesswoman of the Year" winner who has campaigned for local politicians, helped many charities and served on a number of boards, including the D.C. Commission on the Arts and Humanities and the ReOpen DC Advisory Group.

Additionally, in normal times, the sisters host fun activities in the shop, including mini concerts and a "flower power happy hour," they help lead neighborhood events, such as the "Dog Days of Summer Sidewalk Sale" and Small Business Saturday, and they stock their gift shop with exclusively DC-made items.

That persistent passion for their community has netted Lee's a lot of influential friends and loyal followers eager to support the business however they can.

"We love our neighborhood," Lee said. "We love our city. We're very involved. We get it from our dad. He knew what his ancestors went through to have a voice. He's always instilled in us the value of voting and being active in the community, to make it a place we're proud to call home."

Here are a few ways Lee's inspires local love.

Know your customers. Take a cue from "Cheers" — people want to go where everybody (or at least the owners!) know their name. That familiarity extends to furry friends. "Kristie knows every neighborhood dog's name," Banks said. "That really makes people feel good." The sisters always make time for small talk with their regulars, doing their best to make customers feel like family.

Pump up your neighbors. As one of the last three remaining businesses from historic U Street (a corridor once known as "Black Broadway"), Lee's is regarded as a pillar of the community — a platform Banks and Lee don't take for granted. One way they give back is by seeking out aspiring

artists to feature in their gift shop, Lee's Cross Pollination, and special activities, such as their mini concert series. "We consider ourselves mentors to up and comers," Lee said.

Support local leaders (ideally before they have power). In 2014, the women went door-to-door campaigning for now D.C. Mayor Muriel Bowser, a very loyal customer. The Lee family has done this for decades. Sometimes their candidate is victorious; sometimes, not. "You can't predict who'll win but you shouldn't be scared of being shunned if you support a loser," Lee said. "What's important is researching the candidate and backing someone who aligns with your values."

Make time for press. Journalists are also part of the sisters' deep network, and they always make time for an interview — even if it's during the wee hours of the morning on Valentine's or Mother's Day. "Press is so powerful," said Banks, who received a \$50 check "to end systemic racism" from a stranger who saw her on the news this summer. Her advice for talking to a reporter? "Know your shop history and just tell your story," she said. "The more you do it, the more comfortable you get."

[Click here to watch the full program](#) for more on the shop's experience, especially in the wake of George Floyd's death and the resurgence of the Black Lives Matter movement.

For more details on their civic and community activities, [click here](#) to read "Local Legends."

'We Put Our People First': How Empowered Workers Help H-E-B Succeed



Joe Don Zetsche, director of H-E-B's BLOOMS Flower Shops, and Kate Penn, CEO of the Society of American Florists.

For the final keynote presentation of the Society of American Florists' Reinvention Summit last week, SAF CEO Kate Penn interviewed Joe Don Zetsche, director of BLOOMS flower shops for H-E-B, a Texas-based supermarket chain that Forbes dubbed "the smartest retailer you've never heard of." In their conversation, "Leadership in Times of Crisis," the pair discussed how to assemble and nurture a team that's emotionally invested in your business and eager to work together to overcome challenges.

"Our secret sauce is our partners, which is what we call our employees," Zetsche said. "We treat them as our equals." Partners' safety and happiness comes first, and their wellbeing trickles down to outstanding workmanship and service, he explained. "There have been times in my career that I've told a customer, 'I appreciate you as a person, but I request that you not come back here.' They'd been rude to one of our partners and we can't tolerate that."

It's easy for H-E-B leaders to have their partners' backs because team members have been selected for their people skills and extensively trained to "do the right thing." "We trust their judgment and respect them completely," Zetsche said. "Even in situations where it doesn't work out and we have to part ways, people leave the company with dignity."

Here are a few H-E-B leadership tactics that help the company succeed:

Embrace transparency. H-E-B is exceptionally candid with the entire team. “We are open with our partners about every aspect of our business, including financial matters, and we share information very deeply,” Zetzche said. “Everyone — designers, salespeople, delivery drivers, custodians — understands the levers they pull that affect profitability.” The company trusts that its people will protect sensitive information and will keep it in mind when they’re tempted to cut a corner or “just add another stem or two” to an arrangement. Additionally, this upfront approach helps soften the blow during difficult situations, like layoffs, furloughs and reduced hours. “If your employees know your business, there’s no surprise blow coming,” he said. “They know there’s not all this income coming in — that you’re not making decisions capriciously, but out of necessity.”

Promote your purpose. It’s easier to retain employees when they feel their job has meaning beyond simply paying the bills. “Having a sense of history is one way to accomplish this,” Zetzche said. He tells all new hires how, in 1905, a mother whose husband was ill needed a way to provide for her family and established a cash-and-carry grocery store, and how that company has since navigated world wars, the Great Depression, inflation and huge shifts in the industry. “This story binds us together,” he said. “It’s important to discuss the emotions that went into creating the business.” H-E-B also eschews a common business school mantra: that corporations exist to make maximum profit for shareholders. “Yes, we want to be the greatest and be profitable,” he said. “But that’s so we can take care of our communities — to offer the best pay, benefits and career opportunities for our partners.”

Hire for personality, not skills. H-E-B recognizes the opportunity of taking young people who don’t have a trade or education and growing them up. “They need to genuinely care about people,” Zetzche said. “You can train the other pieces.” Several members of his team participate in the interview process to help him avoid his biases and to ask questions he might not have considered. When they narrow the field down to their top two candidates, he asks his peers who they think best fits their company culture. “We might go with the person who has a less deep resume if we feel they will gel with us,” he said.

Prioritize processes. H-E-B doesn’t wing anything. Hiring, employee training and reviewing errors are just a few areas of the business with detailed processes in place. For instance, every design includes a visual training aid — a picture with step-by-step instruction or a video demonstration. These guides emphasize the basics, such as starting with clean water in a clean vase, adding flower food and making sure clippers have been sanitized. “It’s not the creativity that draws most of us into this industry, but these are important steps,” he said. When addressing mistakes, Zetzche first hugs the person who messed up and makes sure they’re okay. Then, they work backwards to identify where the math or communication got jumbled. Together, they come up with a new safety check to prevent it from happening again. “Without processes, you’re just running from season to season, from fire to fire,” Zetzche said. “You don’t have the backbone to help you deal with issues more easily.”

Celebrate successes and good deeds. H-E-B used to be very quiet about the company’s philanthropic activities, but now leaders speak openly with the team about endowments and gifts, so everyone knows what they helped create to better their community. “You can toot your own horn in a non-prideful way,” Zetzche said. Additionally, they share examples of partners who go above and beyond for customers. “When you learn of someone doing something out of the ordinary because their gut says it’s the right thing to do, you need to share those stories,” he said.

Amid Crisis, Consumers Still Want Flowers



How has the COVID-19 pandemic changed the way consumers think about buying flowers? A recent poll, commissioned by the Society of American Florists and the Floral Marketing Research Fund, offers some insight into that thorny question. Its findings, along some practical ideas for floral marketers, were teased out Tuesday, July 28 — Day 2 of SAF’s Reinvention Summit — by keynote speaker Charlie Hall, Ph.D., and a panel of experts from diverse segments of the industry.

The data point to shifting priorities, some more favorable to florists than others. But Hall and others suggested that, as consumers largely continue sheltering in place, feathering their nests and looking for ways to make long-distance social connections, floral retailers have an unprecedented opportunity to influence Americans’ flower buying habits over the long term. The key strategy is to hone in on all the ways that flowers benefit physical, mental and emotional health.

“This is a health crisis,” said Hall, holder of the Ellison Chair in International Floriculture at Texas A&M University. “I think folks are waking up to the opportunity of articulating our value proposition in such a way that they will deem flowers to be a necessity in their lives, rather than a mere luxury.”

Some other takeaways from the session:

Yes, in a recession, consumers’ personal finances factor in. Asked, “In the next six months, what are the top three factors that will influence whether or not you purchase flowers or plants?”, the No. 1 answer was “finances/budget.” This was chosen as one of the top three by 41 percent of respondents. Not surprisingly, that was true especially among those who had recently become unemployed.

That doesn’t mean retailers should lower prices. As Hall pointed out, even in a recession, “budget” is not the same consideration as “price.” Earlier studies have established that when a consumer weighs a floral purchase, typically price is considered only after convenience and “flower quality” (a proxy for shelf life). In the “six months” question, convenience/ease of purchase came in second, with 33 percent of respondents.

“Don’t panic and drop your prices,” advised **Seth Goldman**, CEO of the ecommerce site UrbanStems, agreeing with Charlie Hall. “Rather, hammer your message around convenience.”

Consumers are concerned about safe shopping and delivery. “Social distancing protocols/fear of spreading virus” came in third among factors influencing future purchases of flowers and plants, at 25 percent. This factor rated especially high among non-white respondents — not surprising, considering the disproportionate impact that the pandemic has had on people of color. Marketing messages should reassure all consumers that flowers can be purchased and picked up or delivered in a safe manner.

Social expression and cheering up can also motivate. Other important factors, close in numbers to concern about spreading the virus, were the need to connect with friends/loved ones and the need for a pick-me-up or mood-booster, each at 22 percent. These were particularly important among consumers 18-34 years old and females of any age.

The move to online sales is now at warp speed. That’s true even for grocery store chains like Albertsons Companies, where **Debora Steier** is vice president of Floral: “Online sales were growing before; now they have doubled,” she shared. At UrbanStems, Goldman believes the current recession will drive more sales permanently to online for every type of floral retailer that is willing to make them an integral part of the operation: “Think of it as a different distribution channel for your same business.”

For some, plants and add-ons are big business. “Our add-on sales have more than doubled the last couple of months,” said **Tim Farrell, AAF, AIFD, PFCI**, of Farrell’s Florist in Drexel Hill, Pennsylvania, echoing similar testimony from panel moderator **David Boulton, AAF, PFCI**, of Flowers by George Inc. in Arlington, Washington. Customers appreciate the convenience of one-stop gift shopping at a time when it may be harder for them to go to another type of specialty store, Farrell surmised, for items like decorative candles or fancy hand lotions: “On my Teleflora website, it was easy to add those options in, and it adds up to hundreds of dollars of extra income.”

Tying in with the pivot to home decoration, plant sales have grown faster than any other category at Chicago-based floral wholesaler Kennicott Brothers Company, said company president **Gustavo Gilchrist**: “We are optimistic about upcoming Christmas season because of the same trend.”

The big picture for floral businesses is mixed and muddy. “Some florists have done really well year over year, others are close to closing their doors,” said Hall. “But the data hasn’t caught up such that economists can speak with authority.” Both Gilchrist and Goldman noted their impression that consumers in suburban and rural areas are buying flowers at a much brisker rate than those in urban centers.

Weddings keep getting postponed. On July 23, Washington state governor Jay Inslee announced restrictions limiting gatherings at weddings and funerals to 30 people and prohibiting receptions, said Boulton: “I had weddings on the books, now pushed out until next year.”

Business has flatlined for many of the designers she personally knows, said **Holly Heider Chapple**, who has operated her own wedding and event design business for 28 years. She also leads the collective Chapel Designers and operates Hope Flower Farm in Loudoun County, Virginia. Until the outlook for wedding work improves, she has pivoted to retail. “We can’t just wait it out,” she shared. “After 28 years in business, we just did our first Mother’s Day.” She has also experimented with sending out direct-to-consumer boxes of flowers. In this and other endeavors she has leveraged her mailing list of past brides, some near and some far. That’s an opportunity she suggests to other wedding designers: “We need to be making ourselves available to our past clients, massaging that list, thinking of new ways to sell to them. Anything we do now to survive is OK, as long as we do it with integrity and grace.”

Core values will get you through. “Here’s my advice for how to get through an economic downturn,” said Hall. “Stick to your core: your core values, your core products, your core customers.” Trimming SKUs and focusing on the most profitable items in your product line is a strategy adopted widely across the spectrum of floral businesses, along with making your most loyal customers the top priority. Beyond that, said Hall, “If you haven’t explored your core values, you’re at a real disadvantage right now, because those are what carry you when the going gets really tough.”

Gilchrist agreed: “When you’re running a business, there’s a lot going on, but in a crisis, it comes down to a few core things. For us it has been: take care of our employees, support our customers.”

Find creative ways to send the message about the health benefits of flowers. “SAF has done an excellent job; however, it takes individual firms to move the needle on this,” said Hall. “Some ask for a generic advertising campaign. But we need to do this at the level of the individual firm. Everybody in supply chain has a responsibility here.” A member of the audience suggested labeling certain special bouquets or weekly specials as “stress relievers.” That’s a pretty nice start!

SAF’s Reinvention Summit, a five-day virtual kicked off July 27 and runs through July 31; registered participants have access to all recorded programming through Sept. 1. [Find out more about pricing and schedule options.](#)

How to Build Sales in the Pandemic and Post-Pandemic Marketplace



The COVID-19 pandemic delivered a hammer blow to daily life, disrupting everything from the workplace to home life — but the floral industry is uniquely positioned to gain market share and build stronger relationships with consumers now for one simple reason: “Flowers are palliative and can help restore health to stressed consumers,” said retail expert **Jim Dion** of Dionco Inc. in his opening keynote July 27 during the Society of American Florists’ Reinvention Summit. “Flowers soothe. They’re beautiful and calming and can help ground consumers. The destruction of routine has been stressful for every consumer and getting back to normal is even more stressful because everything is different now.”

What’s more, leaning into empathy could help engage customers during these challenging times, said Dion. “In many cases, customers may even behave irrationally simply due to the overwhelming stress they’re experiencing. The way to get them to step back and breathe is by identifying with them with genuine concern,” Dion said. “Say things like, ‘This must be frightening for you. I know it’s frightening for us.’ Or ‘It’s awful what you’re going through.’ Concern in your voice will deflate the balloon of their stress—and it will make you feel good, too.”

Dion is one of five keynote speakers featured this week during SAF’s Reinvention Summit, a five-day virtual event which also includes industry panel debrief and participant roundtable discussions.

The event kicked off July 27 and runs through July 31; registered participants have access to all recorded programming through Sept. 1. ([Find out more here.](#))

New Rules for a 'New' World

During his keynote on July 27, Dion also delved into some best practices for the current time.

To capture market share, for instance, Dion recommended advertising. It may sound counter-intuitive when budgets are tighter, but in times of market turmoil, retailers can gain two to three times the results compared to a pre-pandemic marketplace. "Your competitors are struggling — and maybe not even open. Any advertising you do won't be lost in a whole flurry of competitive ads," he said. "You'll encourage existing customers to continue to buy and fuel new customers." Tug at heartstrings with ads that focus on the joy of receiving flowers and how flowers make a human connection. (SAF has new [seasonal shareables](#) that help communicate this message via social media.

Capitalize on the we're-in-it-together mantra by forming strategic partnerships with other local businesses. "Real estate agents, schools, hair salons, restaurants, bars — is there a business you can share customers with? You can speak to their customers and vice-versa," Dion said. "Sponsor charitable work and come up with ways you can help parents with their children who are at home. Many parents need help." Helping is the word of the hour. If you can help your customers, you will win their business.

Dion also stressed that technology will continue to play a key role in sales. "The online purchase journey is more important than ever," he said. "The click-and-collect boom is here to stay." Having a website, app, livestreaming events — all of these things will continue to fuel sales post-pandemic. The bottom line? "Be prepared to deal with the customer any way that the customer wants to deal with you," Dion said.

Practical Advice, Delivered

A panel of industry leaders dug into what Dion shared, using examples from their own business experiences to offer ways for retailers to build sales after the pandemic.

Give customers choices. One of the great casualties in everyday life has been control over daily decisions. Restrictions and shortages stripped consumers' ability to control even what kind of toilet paper they buy. **Lindsay Squires** of Tagawa Gardens in Centennial, Colorado, recognized that as "an opportunity to meet our guests exactly where they are. Through products and services we offer, our customers have a chance to make a choice they have control over — and it makes a difference in their lives and in the lives of those they cherish. The sense of value that can come from those small choices can be really important."

- **Market flowers as connection.** What people crave right now is connecting with those they love. "Flowers are a way to sense human connection and a reminder of the love and togetherness we're all missing," said **Sarah Bagle**, creative director at Accent Decor, headquartered outside of Atlanta. "Flowers send a virtual hug—and it's a hug that lasts several weeks."
Embrace e-commerce. The slow march toward ecommerce became a sprint during the pandemic. "In June U.S. e-commerce sales were up 70 percent, roughly a 75-25 split, e-commerce to brick and mortar. I suspect those numbers will approach 50-50 post-pandemic," said FTD CEO **Charlie Cole**. Ball agreed. "Workers in Germany are done with the virus. They say e-commerce went way up and now it's down some, but still higher than pre-covid, though."

An easy way for florists to cash in on this trend is through social media. “Instagram stories sell locally,” said Bagle. “Plant and flower shops post quicky Insta stories saying this is what we have in stock using simple iphone images. It’s a quick, cheap way to convert sales.”

- **Keep new customers.** **Anna Ball**, president & CEO of Ball Horticultural, headquartered in West Chicago, Illinois, quoted Scotts Miracle-Gro figures of some 16 million new plant or flower buyers this spring. “How do we keep those people coming back?” she said. “They went shopping for mental and physical well-being — and when it comes to bedding plants, they were buying for themselves.” Squires points out the “enthusiasm of new gardeners is a gift to our industry coming out of this adversity. We’re trying to learn and understand how to recapture the interest of that new consumer. We’re using things like personal shopping, garden coaching, bundling products and online shopping to engage with customers.”
- **Start a wellness conversation.** COVID has sparked a new awareness of wellness. “The general public isn’t informed about the health benefits of flowers,” said Bagle. “The current wellness pattern typically includes food, exercise and meditation. We need to find a way to tap into that — maybe by partnering with a local wellness shop or spa.” (Find out more about [SAF research on the health benefits](#), and how you can leverage the research to reach customers.)
Cole sees the biggest opportunity for flower sellers is building sales for self-consumption. “Whether it’s in the context of wellness or beauty in the home, making flowers part of someone’s day to day routine gives us all a more stable business model.”
- **Be authentic.** “Customers tend to be forgiving now if you’re being vulnerable and transparent. It’s a great time to try something new,” said SAF President Chris Drummond. Ball agreed. “People are tired of negativity and hearing about Covid. They want you to be authentic and re-open. Consumers care where they buy, and there’s a lot you can talk about that’s authentic and important to people. You can say you’re a local sustainable family business. More important, customers still want great products at a good price with good service. That is not going to change.”