

MASTER'S DEGREE: EVALUATING SUCCESS (AND LEARNING FROM FAILURES)

The fifth article in a six-part series offers strategies for evaluating the success of your merchandising programs.

Let's compare your brand-new marketing and merchandising program to a new NFL expansion team. The owners and coaches (you) have pulled together a lineup of players (pots and tags, a palette of colors, P.O.P., and more) that work together well on paper. Your team's pre-season games (i.e., market testing) were right on the mark. And then you let the players do their jobs for the season with the occasional substitution.

It's the end of the season. Did you have a winning team or a losing team?

An expansion team doesn't win the Super Bowl in its first year. And your new marketing or merchandising program didn't either. Does the new team just disassemble after one year if it had a less-than-stellar season? No. The owners and coaches evaluate the players to see who's injured, who's ready to retire, and who needs some further training. They make some trades and get the revamped team back in shape for another season, with hopes of improving their record.

Marketing and merchandising programs go through a similar evaluation process to assess how well the program is meeting goals and expectations. If the program and its products have a low sell-through rate, each aspect of the program needs to be studied to see where improvements can be made to sell more product. Minor adjustments like placement at retail can be made during the season, but larger changes such as pot sizes and color palettes are reviewed and evaluated when the season and cost efficiencies permit. For example, changing



One change that might result from your program evaluation is a move to a less-traditional or oversized tag. The Night Lights program is also from Wenke, developed in conjunction with MasterTag.

pot size or color during the selling season is nearly impossible due to the time it takes to order and produce the pots and grow the material.

The Basics of Evaluation

Gerry Giorgio, creative director for MasterTag, a firm specializing in creating and producing marketing and merchandising products for the horticulture industry says, "Ultimately, all programs should be evaluated on the merits of their performance." He notes that all aspects of the program can be examined for changes, from overall color scheme to pot and tag functionality. "Typically, minor changes in a program are related to expanding on the original concept, like adding new P.O.P. elements or transitioning from a standard shape label to a custom-shaped label providing more interest and impact." Things to stay away from, if possible, would be changing logos, color palettes and the primary sales message, Gerry says.

A key to evaluating and changing aspects of a program is knowing where to draw the line. There will always be changes to make. Giorgio stresses the program should be modified only if there is a compelling reason to do so. "It's very tempting to keep fiddling with the artwork," he says. "It's best to check yourself to see if the changes you are making are subjective and emotional. Or, if they are really substantive and will increase the effectiveness of the display."

To discuss merchandising strategies to keep your business growing, contact the experts at MasterTag. Call (800) 253-0439 or visit www.mastertag.com.



Real-World Evaluations

Dean Chaloupka, president of Floral Plant Growers, has experience with evaluating his organization's Living Pleasures program. The program has wrapped up three seasons, and no significant changes have been considered until now. "After the first year we received feedback mainly from store personnel and merchandisers about what would work best and we did change some of the hard aspects to better fit the needs of the stores," he says. "After the third season, we're really going through a revamping of the graphics at this point." With feedback from consumers, retailers, and merchandisers, Chaloupka learned that the Living Pleasures color palette was hard to see against the plant material and other colors within the retail environment. They are now analyzing the problem and determining a new color palette that will make the Living Pleasures program "pop" in the store.

Mark Elzinga of Elzinga & Hoeksema Greenhouses, Portage, Michigan, recently evaluated their programs. "We start evaluating programs immediately after the season," Elzinga says. "We start by taking numbers and evaluating the sell-through in stores. If the sell-through is a number we aren't happy with, we ask what was wrong with the program."

This past season, Elzinga had a disappointing result with the company's herb program. Everyone agreed the product was nice. So what was at fault? After talking with the buyers and stores, Elzinga says they will change three aspects of the program: timing to the store to meet the demands of the herb gardeners; pot color, to make it an item that easily transitions from indoor to outdoor and back again; and a reduction in inputs to lower price points. "We're all working on improving this," Elzinga says. "It's tough to give up right away on something, especially when the product looks so nice."

"No matter how good the idea is, it's going to need changing and tweaking to be better the next time," says Lisa Wenke, manager of Wenke Greenhouses, Kalamazoo, Michigan. Wenke has produced four merchandising programs for her independent garden center customers, and she has had to tweak programs to fit her customers' needs. "You can't get too used to the program even though you like it. If it doesn't sell or the retailers don't like it, it's something you have to be willing to change."

Wenke evaluates her programs in two ways. She sends surveys to her customers, usually following up with personal visits to the garden centers or with phone calls. She also looks at sales and her customers' orders. Over the years she's made several changes to her programs, from adjusting poster sizes to renaming the Ugly Duckling program to the more politically correct Soon to be



Photos courtesy of MasterTag

Wenke Greenhouses evaluates programs in two ways—surveying its customers and studying their orders. Based on responses, Wenke changed the name of this program from "Ugly Ducklings."

Swans. This year, her feedback has pointed to price points as causing some confusion. As a result, Wenke is reducing the number of unique sizes and price points.

Because Wenke works with many different independents, she feels it's really hard to say what works and what doesn't. "It's really hard to build programs around what customers want because they all want something different. That's great in some ways but it's difficult for the grower trying to service them to figure out how to do it."

Chaloupka has learned to give the evaluation process the time it deserves. "We thought we spent enough time talking with customers about what they liked and didn't like," he says. "Don't assume that you got it right the first time. Be diligent in looking for what works as well as really nailing down what doesn't work and making those changes as quickly as possible."

"What you have the first year will develop and progress until about the third year," Elzinga says. "From there you can see what direction it's taking. Make decisions quickly, and if something's not working, you have to make a change." 🍃

Things to Consider

If sell-through is low, look at how your merchandising program is reaching out to the consumer. The consumer needs to turn to your product for a reason. Here are three to consider:

- Does the program have a superior quality and a more appealing design compared to similar products in the store?
- If it has similar quality and appeal to comparable products, does it present a better value?
- Is your program in position when and where your customers are looking for it?

Ellen C. Wells is a green industry veteran and freelance writer in Boston, Massachusetts. Your final Master's Degree course will be published in the December issue of GrowerTalks and will discuss when you should drop a program and implement a new one. What will you do for an encore?