



SEPTEMBER 9-12

131st ANNUAL CONVENTION

Ritz-Carlton Amelia Island | Amelia Island, Fla.

Kevin Ylvisaker

AIFD, CFD, PFCI, CAFA



Society of American Florists

Profitable Everyday Design



Who Buys & What Do They Buy



Baby Boomers

Born between 1946 & 1964

51 to 69 years old

57 % work full time

Spend more on themselves

Not brand loyal



Baby Boomers

Word of Mouth Marketing

Internet Marketing

Want to feel good, hip, smart & sexy

Account for 40% all purchased package goods (things that get used up)



Generation X

Born in mid 1960's to early 1980's

33 to 50 years old

78 % work full time & part time

Comparison shopping generation

Entering peak earning years



Generation X

Facebook Marketing

Internet Website Marketing

Want to feel nostalgic

Love perks and “extras” when
purchasing



Millennials

Born in early 1980's to early 2000's
12 to 32 years old

48 % work full time

Buy from companies that care about
the planet or causes

77% participate in Loyalty Programs



Millennials

Instant Delivery of Products

Cell Phone & Tablet based purchases

Want fair trade, sustainable & low
carbon footprint products

Like products that donate money to a
cause



Smart Purchasing

Purchase flowers in case-lots

Buy “trend” flowers

Purchase what you need for the week to avoid extra daily delivery charges



Smart Purchasing

Buy on sale only if you know you
are going to use it

Ask for monthly specials

Review your standing orders



Controlling Waste

Follow the Chain Of Life

www.floralife.com

Add 10% for “Shrink”

Stop “Stuffing” Designs



Stuffing

One Designer & One Carnation

One Carnation = \$1.50 lost

Designer makes 10 designs in a day

10 Carnations = \$15.00 lost

Designer makes 60 designs in a 6
day week

60 Carnations = \$90.00 lost



Stuffing

Designer makes 3,120 designs
in a year

3120 Designs x \$1.50 per Carnation

\$4680

LOST Per Designer



Pricing

Use Recipe Cards on Popular Designs

List all flowers, hardgoods & labor on the order

Is packaging (card, envelope, pin, bag, string etc) included in the design or the deliver charge?



Pricing

Designing from the Foam Up.

Make It Until It's Pretty, Then Add It Up

	Cost	Markup	Retail Price
Flowers & Foliage	9.00	3.5x	31.50
Hardgoods & Supplies	4.20	2.0x	8.40
Subtotal	13.50		39.90
Labor 25% (Multiply by labor factor)			9.97
Total			\$49.87



Pricing

Designing from the Foam Up.

Make It Until It's Pretty, Then Add It Up

	Cost	Markup	Retail Price
Flowers & Foliage	9.00	3.5x	31.50
Hardgoods & Supplies	4.20	2.0x	8.40
Subtotal	13.50		39.90
Labor / 75% Divide by Reciprocal)			
(39.90 / .75 = 53.20) (53.20 – 39.90 = 13.30 Labor)			
Total (True Selling Price)			\$53.20

A difference of \$3.33



Pricing

Designing from the Selling Price Down.

You Know the Selling Price

Selling Price **\$53.20**

Desired Labor Factor of **25%**

Multiply \$53.20 by .25 = \$13.30

\$53.20 - \$13.30 = \$39.90

Designer can use \$39.90 RETAIL Product

Fresh and Hardgoods



COGS

The Cost of the Products in the Everyday Design
(COGS Does not include Labor)

Example:

Gift Item's Wholesale Cost is **\$10.00**

Your Markup is **x2**

Gift Item Sells for **\$20.00**

COGS **50%** (half the retail)

COGS is **\$10.00**

COGS

Most Florists find their COGS is 26% to 33%

Cost

Flowers & Foliage	9.00	3.5x	31.50
Hardgoods & Supplies	4.20	2.0x	8.40
Subtotal	13.50		39.90
		Labor	13.30
Total (True Selling Price)			\$53.20

$$13.50 / 53.20 = 0.253$$

$$\text{COGS} = 25\%$$



Survey Results

Email Survey to Retail & Mass Market Florists

What is your Average Selling Price for an
Everyday Design?

\$40 to \$60



Survey Results

What is your best selling Everyday Container, plastic, glass, ceramic or other?

1. Clear Glass (71%)
2. Colored Glass (17%)
3. Ceramic (9%)
4. Natural Pottery (2%)
5. Other (1%)



Substitute Teacher

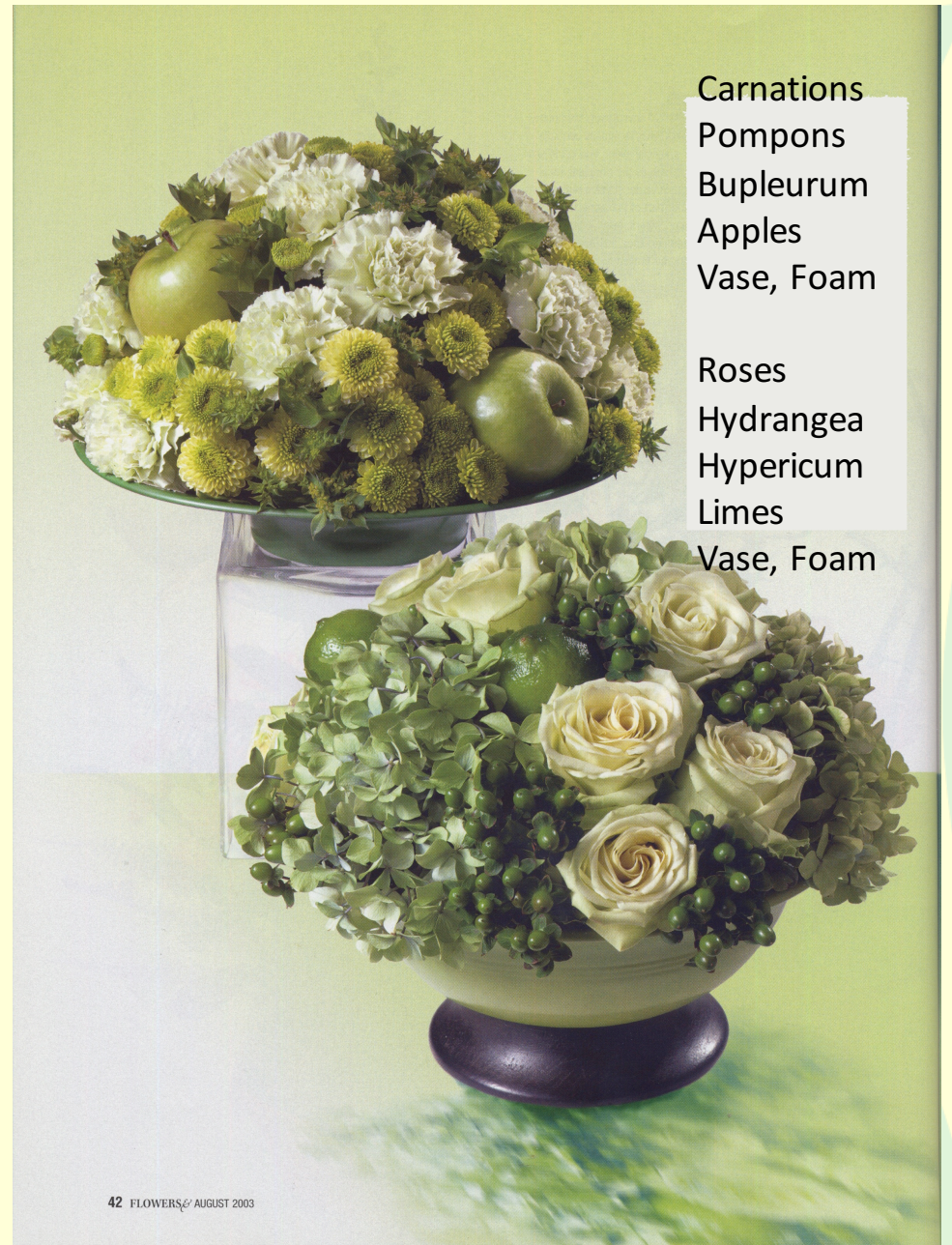
How to achieve a similar
look using less expensive
flowers.

Teleflora Flowers & Feature 2003



\$98.40

\$175.33



Carnations
Oregonia
Cording
Basket
Foam

Roses
Hypericum
Boxwood
Bead Wire
Basket
Foam



AUGUST 2003 FLOWERS 43

\$108.66

\$207.33



SAF AMELIA ISLAND 2015

On To Some Examples



Using Filler Flowers

Filling
vs.
Enhancing



The Bud Vase

Carnations

Product
/.75

\$16.50 (Retail)
= \$22.00 Selling Price

\$5.50 Labor



The Bud Vase

Roses

Product
/.75

\$19.00 (Retail)
= \$25.33 Selling Price

\$6.33 Labor



The Stuffed Design

Unstuffed

Product
/.75

\$53.00 (Retail)
= \$70.66 Selling Price

\$17.66 Labor



The Stuffed Design

Stuffed – One Extra Rose, One Extra Carnation

Product \$58.00 (Retail)
/.75 = \$77.33 Selling Price

\$19.33 Labor

Loss of \$6.67 over Unstuffed Design



The Open Form

Selling Negative Space

Product
/.75

\$66.50 (Retail)
= \$88.66 Selling Price

\$21.16 Labor



The Closed Form

Selling Mass

Product \$66.50 (Retail)
/.75 = \$88.66 Selling Price

\$21.16 Labor

Same selling price.

Color - Monochromatic

Using Tints, Tones & Shades of one Color

Product
/.75

\$55.25 (Retail)

= \$73.66 Selling Price

\$18.41 Labor



Color Split Complement

Using a Dynamic Color Harmony

Product \$55.25 (Retail)
/.75 = \$73.66 Selling Price

\$18.41 Labor

Same selling price. Bigger wow factor.



Upgraded Flower Design

Tropicals with Traditional Flowers

Product \$67.50 (Retail)
/.75 = \$90.00 Selling Price

\$22.50 Labor

Higher End but on the Trend Curve



The Stuffed Design

Driving In My Point

Product
/.75

\$140.00 (Retail)

= \$186.66 Selling Price

\$46.66 Labor



The Stuffed Design

Driving In My Point Even More

5 Extra Carnations, 5 Extra Roses

Product	\$177.50 (Retail)
/.75	= \$236.66 Selling Price

\$59.16 Labor

Difference of \$50.00



Special Thanks

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