

AUSTRALIAN WILDFLOWERS POPULAR AT PRESENTATION TO JAPANESE MARKET

AFTER a trial presentation event held at Setagaya kaki in September, a wholesaler based in Tokyo Japan reported a 20 to 30 per cent increase in the auction price of some Australian flowers. The auctioneer for imported flowers at Setagaya kaki, Mr Fukuyama said that only flowers that were included at the presentation event showed an improvement in price.

“The increased awareness and knowledge of Australian wildflowers gained by about 50 of our best customers led to an increase in the prices achieved at the auction floor,” Mr Fukuyama said. “This is the first trial of using this type of event for imported flower products and we plan to continue to bring the best flowers from around the world to our customers.”

Wild Flowers Australia Ltd (WFA) and Austrade staff have been working with a flower wholesaler based in Tokyo to respond to the changes to government rules that apply to these types of businesses. According to Ms Kazuko Nishikawa, business development manager Austrade/Australian Embassy marketing office in Tokyo, “the changes will encourage less restriction to the ways these businesses operate and promote an environment that can deliver an improved variety, quality and value of flowers and foliage to the Japanese florist trade”.

Wholesale businesses entering this new phase in their development see an opportunity to develop closer links with the suppliers of the product in which they trade. This process has led to the implementation of a function held regularly at the wholesaler’s premises where Japanese growers were offered an opportunity to present their products to the customers directly.

“Including a more extensive range of Australian wildflowers in the offering at Setagaya kaki will help to attract more businesses to choose this venue for their regular flower and foliage buying,” Mr. Fukuyama said. He said he believed that more florists and floral designers were keen to purchase high quality products that were available reliably and his best customers were always on the lookout for varieties and flowers that were new to them.

Some WFA members have been keen to embrace the changes and recognise the marketing opportunities offered..

Mr Colin Flack from Big Spring Mount (BSM), a large flower grower who exports from his base in Victoria, believes that the key to success in today’s worldwide market is to understand customer needs, and that developing a strong business relationship with customers helps to build good lines of communication.

“The process that WFA and BSM are involved with in Japan as suppliers to customers associated with the Australian Flower Club will still take many years to become a generally accepted way of doing business there,” Mr Flack said. “We really valued the opportunity to show Fukuyama san our business operation on his recent visit to Australian Wildflower farms and we believe that this visit will enable him to promote Australian-grown wildflowers to his customers,” he said.

WFA executive officer Lodi Pameijer sees this strategy as a new opportunity for Australian wildflower growers.

“Most growers saw themselves operating as producers of commodity crops delivering high volumes of Australian grown flowers efficiently along the links of the supply chain to the customer,” Mr Pameijer said.

“Profitability depended on the price that was offered in the marketplace and the extent to which growers could continually decrease their costs of production. Some businesses achieved success by developing good business plans that gave them accurate costs of production and these were able to secure their profitability based on fixed price sales.”

He said that other businesses operated in the consignment market where the customer is the final arbiter of the price achieved by the grower. Increasing costs of supplies and services on the farm, and the delivery process from the farm to the florist, continually eroded margins. In this environment the business health of the smaller producers would continue to decline and a new strategy of marketing flowers and foliage would need to be devised, he said.

The presentation delivered by Ms Kazuko Nishikawa identifying the changes in the rules that affected the flower trade operating in Japan, was immediately recognised as a way to develop a new strategy to deliver and enhance the value of Australian-grown wildflowers into this established market. Members of the Australian wildflower industry would now have the opportunity to develop another option to help with the sales of their products. Industry producers would need to start thinking of part of their businesses as niche suppliers where the value of relationships with buyers and the variety and quality of products that were delivered would be paramount. Five wildflower businesses in Australia initially embraced this opportunity and are working to develop this strategy further. Other businesses with specific products of value to customers and who have the capacity to deliver into the Japanese market to precise specifications are being sought as demand grows.

Mr Pameijer said that WFA was pleased with the progress made to date, and would continue to work with Japanese companies.



Brimstone passion Waratah (centre) and (right) Wirrimbirra White Waratah



Wirrimbirra White Waratah and king Protea