**Summary**

**Tip and Commission Distribution Strategies**

Jim discussed transitioning from commissions to tips, sharing past experiences with overstuffing issues. Kurt suggested implementing both tips and commissions, emphasizing rewarding above-average behavior and setting clear rules. Kathleen shared her method of splitting tips between drivers and designers, while an owner described their system of dividing tips at the end of the month. Tim advised caution regarding tip-related tax implications and suggested a more inclusive approach to tip distribution.

**Enhancing Floral Product Perception**

Kurt led a discussion on June's performance, noting that Tim's average order value was $156 but order volume was low, while Jim reported steady performance compared to last year. Kurt emphasized the importance of avoiding florist jargon and suggested substituting terms like "filler flower" with "accent flower" and "preservative" with "flower food" to elevate the perception of their products. He also advised against mentioning specific names when discussing rose quality and suggested using terms like "long stem" for clarity.

**Florist Pricing and Labor Strategies**

Kurt emphasized the need for florists to increase prices and labor charges to cover costs and make a profit, noting that underpricing is common. He shared wholesale flower prices and explained their markup strategy, which includes perceived value, and detailed their labor charges for different types of arrangements. Amra inquired about markup and labor increases, to which Kurt provided details on their pricing and labor chart, which includes different percentages based on the type of arrangement.

**Floral Design and Profit Strategies**

Kurt discussed the importance of having a plan to achieve any goal, whether it's related to cost, labor, or improving the shop's image. He emphasized the value of wire service containers in floral design, advising to buy them if they can be sold at a fair profit with a 2.5 times markup, including freight. Brian shared his experience with 1-800-FLOWERS, noting that while their containers are priced lower than elsewhere, they offer good design quality. Kurt encouraged evaluating products based on perceived value and emphasized the importance of creativity in selecting products that can elevate designs, but warned against overstocking if items can't be sold or promoted effectively.

**Customer Retention and Staffing Strategies**

Kurt discussed strategies for customer retention and staff recruitment. He emphasized the importance of calling past clients, using scripts, and keeping conversations conversational. Kurt also recommended using job posting platforms like Indeed and Workable.com for hiring. He stressed the value of short, frequent meetings with your staff to keep everyone aligned.

**Floral Business Strategy and Branding**

Kurt emphasized the importance of being reactive and creative in the face of market challenges, such as adjusting prices or flower choices for wedding and sympathy arrangements. He highlighted the significance of a florist's website in shaping customer perceptions and encouraged aligning online images with business goals. Kurt also stressed the need for confidence and professionalism when interacting with clients, advocating for an upscale approach to the floral business.

**Upgrade Sales Success Strategies**

Kurt shared insights from Stanley Marcus, the former Neiman Marcus chairman, about the importance of professional product presentation and avoiding aggressive sales tactics. Brian reported that since Mother's Day, they've been pushing customers to upgrade their purchases, achieving a 50% success rate despite facing economic resistance from some clients. Kurt acknowledged Brian's efforts as successful, noting that without the attempt to sell upgrades, the results would likely have been worse.

**Pricing Strategy and Customer Feedback**

The group discussed pricing strategies, with Brian explaining their implementation of a $4.99 service fee on all orders to cover inflationary costs, which has been generally well-received by customers except for one complaint. Kathleen raised a concern about the fairness of applying a flat $5 fee regardless of order value, suggesting it might be more transparent to use a percentage-based fee like restaurants do. Amra shared that offering upscale designs significantly boosts sales of medium and large arrangements, as customers are more likely to purchase higher-tier designs when grand options are available.

**Cost Control in Floral Design**

Kurt discussed the importance of monitoring cost of goods sold, including average sales, pricing, and waste, and emphasized the need for spot audits and recipe reviews. He shared a personal experience of a $1,800 barber pole arrangement that should have cost $2,300-2,600 due to more materials need than expected. Kurt also explained that set piece designs can take anywhere from an hour to a full day to create, depending on complexity, and typically require at least some advance notice from customers.