

Gathering data on order gatherers

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The Flower Association has been working with industry members from across the country in an effort to address some issues associated with online order gatherers (OGs).

An OG is a company that only has an online presence. Although order gathering is a legitimate business model and presents the industry with the opportunity to sell more flowers through diversified sales channels, some OGs are employing unscrupulous, and in some cases illegal, business activities to increase their promotional reach and market share.

Feedback from a group of independent florist shop owners was solicited via social media to provide examples of any misleading practices of OGs that they were aware of or had experienced. This garnered over 50 complaints within a 24-hour period. The allegations fell into two main categories: activity that was misleading and likely to be illegal, and activity that was considered unconscionable but probably legal.

Some examples of activities reported included:

1. Misleading advertising based on location searches.

The business claims they are a florist business based in a particular suburb, even though they are not. In some cases, they have no physical shop front at all.

2. False address claims on websites. Some companies claim a physical street addresses on their websites to suggest that that they are a local, bricks-and-mortar establishment.

3. Manipulating Google business listings. When an OG's website is listed in the Google business listing of an actual local florist.

4. Using someone else's business name in Google AdWords. The OG creates a false listing in Google AdWords under a florist's business name, which links only to the OG's website. These listings then come up above the florist's genuine listing in an online search.

The feedback from florists also alleged other conduct including:

- Operating under multiple business names (as many as six) from the same call centre.
- Claiming specific local florists fill their orders, resulting in complaints and bad online reviews for the florist who had no involvement with the order at all.
- Manipulating online feedback by asking staff to provide positive reviews as a tactic to 'bury' poor reviews from legitimate customers.

- High, undisclosed commission rates of 40 to 65 per cent, which misleads consumers who are expecting to get 100 per cent value from their order.

The industry has begun to engage with online search companies such as Google, where it believes some deceptive activities are occurring with search advertisers. We hope this engagement will result in less customer deception and a more even playing field for local florists and legitimate order gatherers when marketing their flower products and services online.

Online flower ordering is a large and rapidly expanding part of the commercial flower and floristry industry. It is a legitimate way to do business and online order gathering is a legitimate business model, forming the basis of operations of companies such as Amazon. Many OGs are upfront about the business model and state to their customers that they are an online sales portal and that their products are arranged and delivered through a network of florist shops.

The process of reviewing the practices of some OGs is not designed to stop or impede that business model in any way. It is however the goal of this process to ensure the consumer, our consumers, can make purchasing decisions from an informed position, based on honest information provided by all retailers.

The Flower Association is urging florists to ensure that they are registered with initiatives such as the I'm a Real Florist online directory (www.imareal.florist) or the Flower Shop Network (www.flowershopnetwork.com.au) so that potential customers can find them and ensure that they get good service from a local florist. 🌿

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