NEWYORKCITY

Deepening Engagement with Customers

An Interview with Jim McCann, Founder and Executive Chairman, 1-800-FLOWERS.COM

EDITORS' NOTE In 1976, Jim McCann bought his first of many retail flower shops in the New York metropolitan area. As his company expanded, McCann focused on innovation and being an early adopter of new technologies that enhanced the customer experience to grow his business. As a result, 1-800-FLOWERS.COM, Inc. was among the first to offer 24-hour service through an 800 phone number and to use the Internet for direct Jim McCann sales to customers, becoming AOL's

first merchant partner of any kind in 1994. The company's own website launch came a year later, followed by a long list of industry firsts, including recent successful launches into the fast-emerging areas of mobile and conversational commerce.

COMPANY BRIEF For more than 40 years. 1-800-FLOWERS.COM® and its family of brands has been helping deliver smiles for customers with gifts for every occasion, including fresh flowers and the finest selection of plants, gourmet foods, gift baskets, and much more. 1-800-FLOWERS. COM, Inc. was recently selected as one of Internet Retailers Top 300 B2B e-commerce companies. In addition, 1-800-FLOWERS.COM was named by Internet Retailer's 2016 Top Mobile 500 as one of the world's leading mobile commerce sites. The company's BloomNet® international floral wire service (mybloomnet.net) provides a broad range of quality products and valueadded services designed to help professional florists grow their businesses profitably. The 1-800-FLOWERS.COM multi-brand website features premium, gift-quality fruits and other gourmet items from Harry & David®, popcorn and specialty treats from The Popcorn Factory®, cookies and baked gifts from Cheryl's®, gift baskets and towers from 1-800-BASKETS.COM®, premium English muffins and other breakfast treats from Wolferman's, carved fresh fruit arrangements from FruitBouquets.com, and top quality steaks and chops from Stock Yards®.

Will you discuss the value of 1-800-FLOWERS.COM as a brand and how you engage with your customers?

We're in the business of helping our customers express their thoughtfulness and connect with all the important people in their lives by celebrating special occasions, from holidays to birthdays and other everyday occasions.

Although it's hardly ever spoken about, it has always been important for us to be there for our customers and help them to express themselves at their most difficult times, during grief and the passing of a loved one. The social and cultural customs surrounding the celebration of life after the loss of a family member, a close friend, or a business acquaintance have always

been an important part of the floral industry. However, it is not always the easiest or most widely discussed topic.

How does 1-800-FLOWERS.COM engage with customers for something as sensitive as a sympathy occasion?

We're not the experts on everything around sympathy, but we certainly know how to engage with our audience. For us, it makes sense to ignite a conversation from different perspectives about how we provide for the changing cultural customs and etiquette around death and grieving. Our relationships with our customers in this area must be about more than providing appropriate gifts; we need to be their resource for understanding how to express themselves and how to connect with the important people in their lives during what is often a very stressful and difficult time.

In this vein, we recently signed a partnership with Service Corporation International (SCI), North America's leading provider of funeral services and related products. SCI has a very progressive approach to its business and strategic marketing. Our partnership has provided both companies an opportunity to open a national dialogue about death and the importance of grieving and sympathy. This includes all the varied cultural customs and changing trends in how people approach the concept of celebrating the life of someone they have lost.

How do you create this open dialog and what communications methods and platforms are you using to reach out and engage with your customers?

We have always had various platforms on the phone, via online-chat, blogs, and other forums in which we engage with our customers. Also, along these lines, I recently had lunch with the current CEO of Cumulus Media, who introduced me to John Tesh and Lia Knight, who both have nationally syndicated programs and deep relationships with their audiences. I was fortunate to get to know John and Lia, and we developed an intriguing idea of how we could work together to stimulate a dialog with our audiences about this difficult subject. Beginning this fall, we're going to work with Cumulus as a partner on this sympathyfocused initiative. John and Lia will help us to ignite conversations with their audiences like those we have with the 1-800-FLOWERS.COM family of brands loyal customer audience.

We're really excited about this. It's going to be very interesting and we're developing panels of experts we can draw upon to further the conversation and expand the topics. We've already had some good conversations with people who can bring different points of view to the table. We think it will produce some interesting content and great learnings.

In addition to our radio sympathy discussion initiative, there will also be an expanded research program to delve into this topic and ensure we have a deeper understanding of this often complex, rarely discussed area of life.

Is driving these types of conversations a responsibility for leading companies and brands?

It's a battle of authenticity. The only customer-focused communications we see in the death-care industry is usually in the form of advertising from funeral homes, where they emphasize that they're a family-run business and that they will be there for people in their times of need, which is a strong message.

If, at day's end, someone feels they have a sense of what we're about after they interact with us and understand our passion and approach to sympathy, we earn their trust and they will think of us when there is a celebratory occasion.

The companies that are authentic accept that social media is a challenge, but it's also an opportunity to have real conversations and engage with the audience, and customers appreciate and gravitate to companies with this type of engagement. When we make it clear we want to bring something important to the table, they will at least consider us and will do so in a different light than other companies not taking this approach.

