

ACCC probes flower industry over claims customers are being scammed into buying from 'local' florists

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South Melbourne florist Zenaida Salem says she loses more than 50 per cent of her online orders to large companies who incorrectly advertise as local. (ABC News: Eden Hynninen)

Michelle* was excited to take a sales job with Roses Only, an online flower delivery service, but she only lasted two weeks in the job.

She was concerned about some of the practices she observed during that time, which she believed misled consumers.

"I didn't feel right working for them or deceiving the consumers," Michelle, whose name has been changed, said.

Key points:

- A whistleblower at one of Australia's largest online flower retailers said she was trained to deliberately mislead customers
- The ACCC is investigating 'deceptive' practices in the flower delivery industry
- Roses Only rejected allegations it engaged

"I thought I was working for Roses Only, but I was in misleading conduct told I'd be working for Sarah's Flowers, and I had no idea who they were."

The concerns she raised after her two-week stint with the company are representative of wider issues in the flower industry that are being probed by the national consumer watchdog.



elle' says she quit working for Roses Only because she didn't want to continue living customers. (ABC News)

No local shopfront, evasive tactics

When you search for a local florist online, multiple Australian town names are linked to Roses Only.

The company, owned by Flowerscorp, uses a number of different domain names like Sarah's Flowers or Meg's Flowers that have a local town description and a number for customers to call, but no local shopfront.

"[Customers] would ring up thinking you're in a suburb and you would say 'oh, yeah we're sort of just up the road?'," Michelle said.

"And they would say 'Aren't you in the shopping centre here or are you there?' and you would say 'Yeah, we've got stores in the area'."

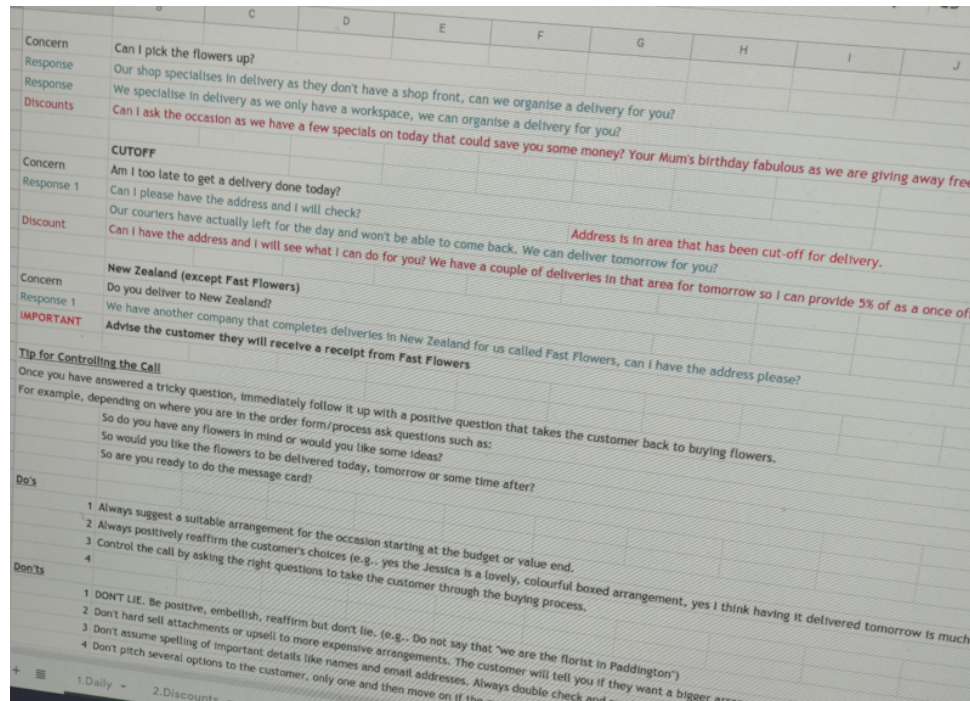
Michelle provided the ABC with what she said were internal Roses Only training materials which directed staff on how to sidestep customer questions about their location.

"DON'T LIE. Be positive, embellish, reaffirm but don't lie. (e.g. Do not say 'we are the florist in Paddington')," the material stated.

The documents included directions for what the company described as "controlling the call".

"Once you have answered a tricky question, immediately follow it up with a positive question that takes the customer back to buying flowers," the training material said.

In another section addressing customer concerns, staff are directed on how to respond to the question: 'Are you the florist in [suburb]?'



nal training documents at Roses Only. (Supplied)

The training material directs staff to respond with: "We deliver there all the time, what flowers did you have in mind?"

"This should be stated, and then it is important to move on and change the focus point," the training material said.

Michelle said orders were sent to a number of distribution centres around the country and then delivered to customers.

She said she felt as if the job involved "scamming people".

"That was my first sales job, and I guess sales itself has a bad rap," she said.

ACCC 'extremely concerned'

Roses Only is just one of multiple large companies in the industry using similar tactics and the issue has caught the attention of the consumer watchdog.

The ACCC said it was "extremely concerned" about possible widespread deception in the flower

industry, and the body has begun conducting a full investigation.



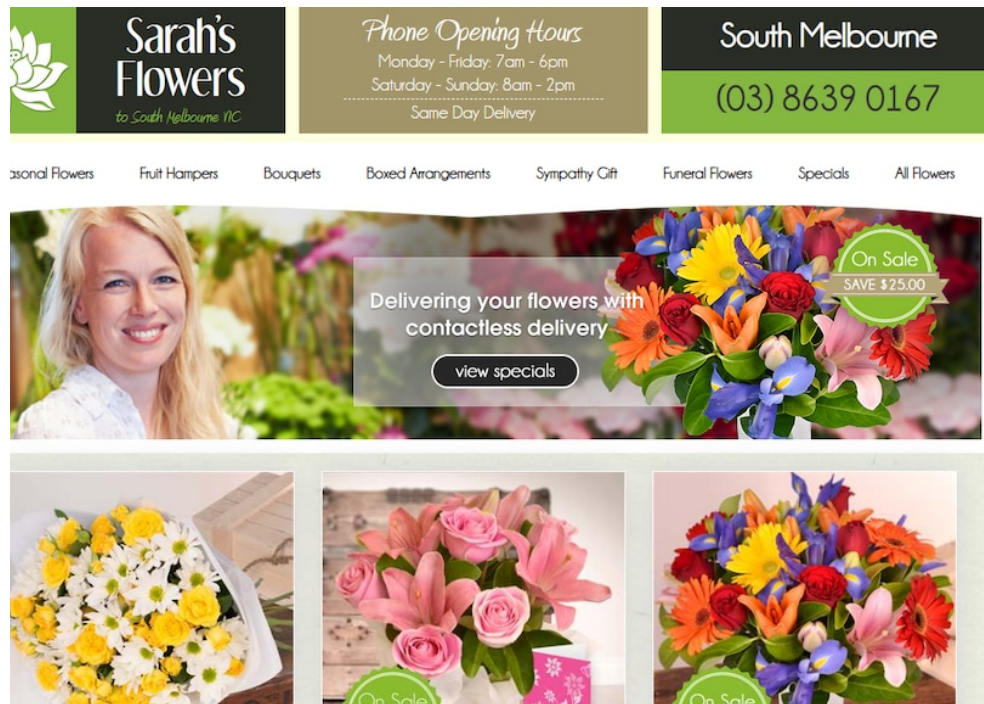
Chairman Rod Sims says he is 'extremely concerned' about possible widespread deception in the flower industry. (ABC News)

Chairman Rod Sims said the approach from Roses Only appeared to give the false impression the businesses were local shops.

"It is illegal to mislead consumers," he said.

"If people think this is clever marketing, that's fine, they'll find themselves in court, facing a very large penalty."

Sarah's Flowers, one of Roses Only's domain names, is the first result that appears when 'local florist South Melbourne' is entered into a search engine.



s Only uses a number of different domain names like Sarah's Flowers or Meg's
ers, that have a local town description and a number, but no shop front. (ABC
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South Melbourne florist Zenaida Salem said she lost more than 50 per cent of her online orders to large companies which incorrectly advertise as local.

Ms Zenaida said she spent thousands of dollars a year on online advertising, but cannot compete with money spent by larger conglomerates.

"I believe it's deceptive," Ms Salem said.

"It's been a problem for a lot of years for us because they usually advertise in areas where they're not even there.

"After all of the COVID, every locality, every business in that particular area needs support, and generally that's why they typed in South Melbourne, they want to support business in that area."



Ballarat flower grower Kristy Tippet said it's a difficult time for growers who are struggling to sell local flowers. (ABC News: Daryl Torpe)

Kristy Tippet is a flower grower in Ballarat, in Western Victoria, who supplies garden roses to the wholesale flower industry.

"I think there is a lot of nuance and a lot of challenges in our industry already, with sustainability, flower imports, wastage," Ms Tippet said.

"I think it really does a disservice to a lot of florists who are trying to push the message to buy local flowers and sell local flowers themselves."

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Company rejects allegations of misleading conduct

Roses Only said it completely rejected any suggestion it engaged in misleading conduct.

Roses Only declined an interview but told the ABC the company sourced flowers locally, but if they were not available in Australia due to seasonality they sourced them internationally.

Flower Industry Australia [FIA] said it was extremely concerned about the order gatherer issue within the industry.

"We believe it could be the tip of the iceberg to much larger issues within the industry," it said in a statement.

FIA said it would continue to liaise with various government bodies about the issue.

Michelle said the world of online flower retail needed further scrutiny.

She said workers may not realise "the scale of how bad it is and how many people are fighting the businesses".

**Name has been changed*