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The Numbers Are In — And They Are Good

Did you hear the news? The numbers are pretty good for the floriculture industry. Last year, consumers spent more money on plants and flowers than they did in the previous year, and this Mother's Day they are really expected to open their wallets when it comes to floriculture purchases for mom.

2006 Was A Good Year

Consumer spending on floriculture climbed 5.5 percent according to updated statistics released last month by the U.S. Department of Commerce's Bureau of Economic Analysis (BEA).

In 2006, consumer spending on floriculture-related products was \$20.771 billion compared to a revised \$19.738 billion in the prior year. While the economic growth was less than the 7.7 percent increase from 2004 to 2005, it is considerably better than the 2.2 percent increase from 2003 to 2004. You can find out all of the Bureau of Economic Analysis numbers by going to its Web site at <http://bea.gov> and clicking on National Accounts information, then underlying detail tables and then table 2.4.5U.

When the Society of American Florists (SAF) commented on these stats, SAF President-Elect Rod Saline, Engwall Florist and Greenhouse, Duluth, Minn., said, "It is our individual business challenge to do more to differentiate our products and services to meet the increased demand for floriculture products."

To meet this challenge, growers, retailers and florists need to know what the consumers' hot buttons are so they can be sure to grow and have the right products.

What Are The Consumer Trends?

According to an Ipsos/American Floral Endowment consumer tracking study, the statistics show that 45 percent of all personal consumer purchases are for outdoor bedding/garden plants; 33 percent of the purchases are for fresh flowers, while 22 percent are flowering/green houseplants.

Who is doing the buying? Women make 78 percent of all plant purchases, while men are responsible for 22 percent of the transactions. Women also make 66 percent of the fresh flower purchases, while men make 34 percent.

In another SAF survey asking consumers what matters most to them when making flower purchases, 93 percent of the respondents said flower quality and freshness was important.

Product guarantee was cited by 88 percent of the respondents as being most important when making purchases, while convenience and ease of ordering for fresh flowers was mentioned by 83 percent of the participants. Value for money and delivery service were mentioned by 77 percent, while 69 percent said advice and recommendations from the retailer/florist influence their buying decisions. Sixty-seven percent also mentioned that a broad range of products and/or arrangements was important to them when making flower purchases.

May Means Mother's Day

This year, Mother's Day falls on May 13. It is the traditional "kick-off" to the annual gardening season, so Mother's Day is a critical day for growers and retailers alike. In fact, more than 72 percent of consumers said they plan to buy flowers for Mother's Day.

The National Retail Federation's 2007 Mother's Day Consumer Intentions and Actions Survey reported that consumers surveyed said they planned to spend \$2.3 billion on flowers this year for mom. Thirty-seven percent of those purchases are expected to be outdoor bedding and garden plants, 45 percent will be fresh flowers and the remaining 18 percent of purchases will be flowering and green houseplants.

Of the bedding and garden plants purchased for Mother's Day, the top three varieties are expected to be geraniums and impatiens (15 percent each) and petunias (12 percent). The remaining 58 percent fall into the ubiquitous "other" category, which was not broken down into additional specific varieties in the survey.

What's In Store For 2007?

How much will consumers spend in 2007? If I knew the answer to that question, I probably wouldn't be writing this column.

With the crazy weather we have experienced across the nation during the first four months of this year, it is going to be extremely difficult to make any accurate predictions. But I am pretty optimistic that when all the numbers are totaled for this year, the growth curve for the industry will continue to bloom. **GPN**

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