

Floral Power

Indy Fruit Q2 Sales Meeting

June 15th, 2023

FLORAL ECONOMICS IN SUPERMARKET RETAIL (PER YEAR)



\$223,078

Average floral sales per store



5.6%

Year over year floral sales growth



1.4%

Floral sales as % of total store sales



579

Average square footage for floral



\$12.56

Average value of floral transaction



44%

Gross margin



18%

Labor costs



11%

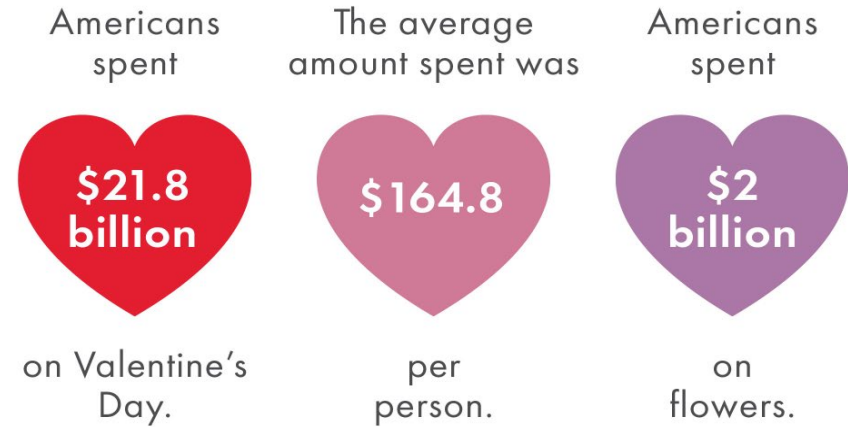
Floral shrink



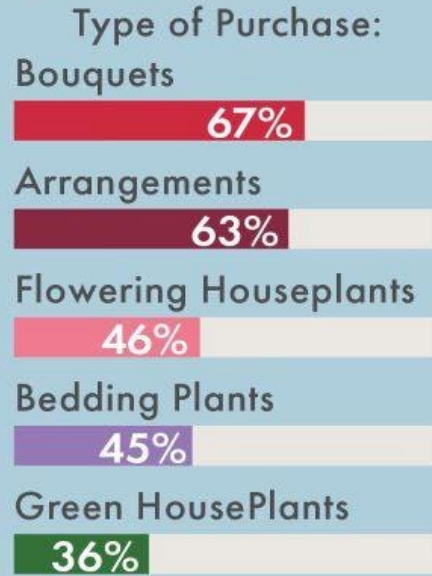
Top purchases for Valentine's Day 2023



VALENTINE'S DAY 2021 SALES STATISTICS



Mother's Day Purchasing Trends 2022



SAF Mother's Day 2022 Survey. May 2022

The Industry

 **\$34.3 billion**
total flower industry revenue

 **15,307**
retail florist businesses in the US

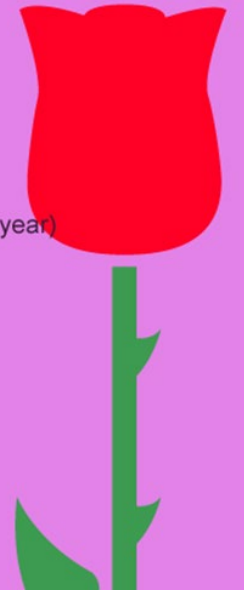
 **Colombia**
top source for US flowers (78%)

 **Christmas/Hanukkah**
top holidays for flower selling (\$2.28 billion a year)

Mother's Day

 **69%**
of gifts are flowers

 **\$1.9 billion**
spent on flowers



Regional Performance

IRI divides the nation into nine areas, that are quite different in size. To provide a benchmark for the size of each region, the first column shows the share of total produce dollars. In comparison to the share of total produce dollars, areas that over index for their contribution to floral sales are California, South Central and the West.

However, while California and the Western region are big sellers, their growth in January was far below average. Growth was highest for the Mid-South.



	Share of produce \$	Share of floral \$	\$ sales growth vs. YA
Total US	100.0%	100.0%	+10.7%
California	11.4%	15.1%	-8.6%
Great Lakes	13.3%	10.9%	+14.4%
Mid-South	13.2%	10.9%	+19.9%
Northeast	18.1%	11.8%	+13.8%
Plains	6.7%	5.4%	+14.3%
South Central	9.1%	15.0%	-2.9%
Southeast	15.4%	15.8%	+13.0%
West	12.9%	15.2%	+7.0%

Source: IRI, Integrated Fresh, 4 weeks ending 1/29/2023

█ = Above-average share █ = Above-average performance



Purchase Patterns

- It has been estimated that impulse purchases account for as much as 80 to 90 percent of the supermarket's total floral sales. Source Texas A&M
- 75% of shoppers who purchased flowers did it at a physical location (**44% of them at the supermarket**), and the remaining 25% purchased flowers either online or both. Source PMA
- Gen X and Millennials were more likely to say they would buy a flower bouquet within the next year than boomers. Source UGA

Merchandising Tips

- Clean and neat displays (not stuffed in a corner) near or in the Produce Department or by the registers.
- Have a plan for the display and not be a secondary thought.
- One type of bouquet per bucket.
- Merchandise by price point, start with the cheapest and end at the most expensive.
- Minimize the amount of price points, typically 3-4 per display in smaller stores.
- Just add water and cull as needed.