

## **MSU Product Center**

*For Agriculture and Natural Resources*

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### **Definition of Market Drivers - Homeownership**

#### **Definition**

- For the purpose of this report, home ownership refers to individuals who own a house through purchase or by building a housing unit.

#### **Factors affecting the market driver homeownership**

- Homeownership rates have been increasing in recent years. From 1997-2002, existing home sales grew at annual average rate of 4.8%, while new home sales grew at 4.3%. In 2003, 68.7% of U.S. households owned their own homes.
- Along with homeownership comes an increased spending on garden care and lawn or garden services. In 2002, about 80% of the households participated in one or more Do-It-Yourself (DIY) lawn and garden activities.
- The lawn and garden care will further be supported by an increasing number of people who would be staying at home (e.g., the soon-to-retire baby boomer generation). As more consumers stay at home, gardening activity would remain strong.
- One other important factor that has a direct impact on the flower and plant market is the trend in the style and design of new housing units including size of internal compartments and available lots for outdoor gardening. In the U.S., most of the housing units are detached single-unit homes that allow relatively large lots for gardening. The average lot size for single-unit housing is about a third of an acre. Attached homes and multi-unit dwellings are also providing a broad array of options for gardening such as container gardens, window boxes, patio or deck plantings.

#### **Sources**

Mintel, gardening, US, December 2003

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Holst, A. 2002. Bedding, pot plant markets expand. *Greenhouse Business*, September, 2002, volume 8, No. 9.