

## **MSU Product Center**

*For Agriculture and Natural Resources*

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### **Potted flowering plants – Few opportunities**

#### **Market drivers that provide few opportunities**

- **Ethnicity** as a market driver provides few opportunities to raise sales from these products.

#### **Specific opportunities**

- There may be some varieties, colors or plant sizes and shapes that meet demands by different ethnic groups; but the size of this market will not be large.
- An increasing number of supermarkets and garden centers are selling potted flowering plants. Upscale garden centers have also increased sales of potted flowering plants. These are significant market outlets that provide opportunities for these plants. Sales through greenhouse retail operations and other specialty shops could also raise gains. Since most of these plants are designed for indoor and patio use, they may not broadly attract professional garden and lawn service providers that focus on outer space decorations. But, these plants still continue to benefit from professionals' and DIY new garden design and decoration concepts that create beautiful patios using mixes of potted flowering plants.
- Mass merchandise stores and home centers are also expanding the potted plant market. However, since these products are relatively expensive the channels would focus on selected products or suppliers that can provide volume products at cheaper prices. Also, customers who want to buy high quality potted flowering plants may not frequently use these market outlets.
- Retail florist shops, the Internet and warehouse clubs will also provide some market opportunities for these products.
- Floral displays on balconies or in window boxes are common in other countries of Europe and Central and South America, while it is not common in the U.S. If growers and retailers introduce product innovations that support this trend (e.g., develop plants and varieties that fit into these spaces), and make a concerted effort to promote and educate consumers about gardening in limited spaces, this would be a new untapped market for ornamental plant growers. This may, in particular, provide a source of inspiration for consumers whose green spaces are limited.

#### **New product examples**

- The Golden state bulb growers have increased sales of spring callas in recent years due to the introduction of new varieties.
- The Hausermann's orchids greenhouse produces between 200-300 species and hybrids of orchids that are long lasting. Altogether, the company's website lists about 414 new varieties from phalaenopsis, cymbidium and other related species and hybrids.
- The California Florida plant company recently introduced 18 varieties of its "Adorable" dwarf potted carnations and 18 varieties of its "Romance" dwarf potted carnations.

#### **Special issues**

- Increasingly retailers are expecting growers to make smaller but more frequent deliveries to their stores, which ensure that the product looks a lot better. Agreements and emerging alliances between companies and origin of species countries are also shaping the development, supply and commercialization of new species and varieties.

#### **Key to success**

- Product innovations that focus on flower color, size, durability, arrangement, container and packaging innovations to maintain quality and make plant handling and growing easier, and integrating the plant in patio and indoor design and decorations are key to success.

#### **Sources**

<http://www.floracultureintl.com/archive/articles/767.asp> - Hamrick, D. German ornamental production.

<http://www.orchidsbyhausermann.com/> - Orchids by Hausermann website.