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The Marketing of Flowers in the United Kingdom

by

A. R. HUNT and J. H. KIRK

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The Marketing of Flowers in the United Kingdom

A study of the market for flowers in the United Kingdom with some inter-European comparisons.

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Copies of this Report may be obtained, price 65p, post free, from the Secretary, Marketing Department, Wye College, near Ashford, Kent.

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INTRODUCTION

The British flower industry—growers, wholesalers and retailers—believes itself to have gone through a decade of declining profitability. Although reliable statistics are lacking, this is obviously true to the extent that the industry has barely maintained its position in the national economy. Flower traders who have been aware of some lack of strength in demand, and in some cases of declining throughputs, are concerned to know whether this is a general problem and if so, what the causes may be. The demand for this Study was brought to a head when traders began to compare flower consumption in the United Kingdom with that in other European countries. In particular, figures produced by the International Association of Horticultural Producers gave comparative information about the trade in ornamentals in several European countries, and suggested that we were, and are, near the bottom of the European league table.

As it would have been out of the question to produce an encyclopaedia on flower and plant production, distribution, retailing and consumption, we have concentrated on certain aspects of immediate concern. First, the figures published by the International Association have been scrutinised to see whether they are a valid point of reference. Secondly, a study has been made of the channels of distribution used for flowers and pot plants in Britain. Some exploratory work has been done on the motives for and circumstances surrounding the final purchase and use of flowers and plants. Finally, comparative studies have been made of several European countries in an attempt to identify significant differences between the marketing and use of flowers and plants in Britain and in these other countries.

The early chapters of this report are an attempt at a general review of the United Kingdom flower industry. Little previous work has been done on the subject and we felt that such a review was necessary before we could make valid comments on the market for flowers itself. These chapters do not purport to be a definitive statement; indeed with so little published work and even so few basic statistics to hand, it would require a series of studies done over a period of years before the flower industry as a whole could be described in any detail. Chapter IV deals at some length with the available figures which summarise the market situations in several European countries and with what we found to be the distinctive features of each of these markets. Chapters V-VII are a review of the present systems of marketing flowers and plants in the United Kingdom and some assessments of various possible courses of action for developing the consumer market for flowers.

Flowers and pot plants form a large and ill-defined commodity group often described inelegantly in statistical works as "non-consumable horticultural produce" or as "ornamental plant material". Certainly these descriptions do less than justice to flowers as articles of beauty and ornament in themselves, heavy with a variety of emotional overtones according to the circumstances in which they are used. Flowers and plants comprise an assorted group of products handled commercially by a wide variety of traders and used by consumers for a wide variety of purposes. Indeed this diversity is a characteristic of the trade in flowers and plants, and it limits the number of generalised statements which can be made.

The category "Ornamental plant material" usually includes all cut flowers, both flowering and green pot plants, dried flowers, bulbs, and nursery stock material, both for sale direct to the public and for sale to public authorities. This report confines itself to a study of the market for cut flowers and for various types of pot plants which are fairly competitive with cut flowers under certain circumstances.

We would like to acknowledge the financial assistance given to this project by the British Flower Industry Association and by the Agricultural Marketing Development Executive Committee. In addition we would like to record our thanks to the many traders and administrators both in the United Kingdom and abroad who gave us the benefit of so much of their time and experience. Much of the detailed work was carried out by Mrs. Margaret Dicker and Mrs. Dee Holme.

Chapter I

THE CONSUMER MARKET FOR FLOWERS IN THE UNITED KINGDOM

The flower and plant trade has been variously estimated to be worth between £60 and £80 million at retail values. These estimates are based on wholesale values of home production and imports together totalling about £30 million, plus an assumed trade mark-up of between two and three times. If these figures are anywhere near correct, the average level of purchase per head is worth between £1 2s. 0d. and £1 9s. 0d. per head per annum. This would, however, substantially over-estimate household and personal purchases since commercial and institutional uses are a significant part of the total, and are included in the figures given. At first sight £60-80 millions looks to be quite a substantial industry, but £1 2s. 0d. per head is equivalent to no more than four packets of cigarettes per annum.

Flowers and Plants Bought by Individuals and Householders

The annual reports of the Family Expenditure Survey give an average level of expenditure per family per week on seeds, plants and flowers. This information, which covers purchases of "horticultural goods, seeds, plants and flowers" is the nearest that we can find in official sources to a figure for expenditure on flowers and pot plants.

Table 1

Average Weekly Household Expenditure on Seeds, Plants and Flowers in United Kingdom
(shillings)

	1961—63	1962—64	1963—65	1964—66	1966
Expenditure per week per household	1.65	1.68	1.60	1.72	*1.81

Source: Family Expenditure Survey: Report for 1966.
Ministry of Labour. H.M.S.O. 1967. These figures almost certainly include a variety of horticultural sundries (*e.g.*, proprietary fertilisers), and nursery stock as well as seeds.
(* 0.4% of total family expenditure.)

The average level of expenditure per family is 1.81 shillings per week and this can be grossed up to £75 million per annum. It is unlikely that more than two-thirds and probably only half of this is spent on flowers and pot plants as defined in this Report. This would suggest that between £35 million and £50 million of the £60-80 million estimated retail turnover on flowers and pot plants is spent by householders and individuals and the remaining £25 to £30 million is spent by commercial and institutional organisations.

Outline of the Main Features of Household and Individual Uses

Within this general category, flowers can be used in either personal or impersonal ways, which can be summarised as follows:

(a) Flowers and plants bought for use as gifts on a variety of traditional occasions such as birthdays, anniversaries and to mark special occasions;

(b) As a customary part of certain religious and social ceremonies, such as weddings and funerals.

(c) As background decoration in the home.

Flowers as gifts. This is the sector of the trade most commonly thought of when the use of flowers is being discussed, but although it is one of the mainstays of the traditional florist's trade, which perhaps accounts for its prominence, we have found that it has remarkably little impact on the public at large.

The act of one person giving something to another person is surrounded by great significances relating to what the giver and the receiver individually regard as the reasons for the gift—in other words a host of sentimental and emotional overtones, together with consideration of its monetary value, its novelty value, and any air of luxury or extravagance that it may impart.

Flowers received as a gift almost invariably end up as a decoration in the home, which we have purposely listed as a separate use; and although previously published work does not clearly distinguish the two uses they are nevertheless, in our view, two quite distinct sectors of the flower trade. Flowers bought in the first instance for decoration are subject to distinct differences of motivation, and will commonly differ in species, amount and price from flowers bought primarily as gifts.

First, there are clear differences in levels of purchase of flowers and plants as gifts between social class and income. A certain standard of taste which demonstrates itself in the giving of flowers is found

throughout all socio-economic groups, but Pickard in his work for the Horticultural Marketing Council* (1962) showed that the better-off social groups consistently bought more flowers than the less well-off groups. Certain members of the higher socio-economic groups regard flowers as unquestionably correct gifts on certain occasions such as birthdays and anniversaries; these flowers are usually purchased from a florist, where the quality of the blooms and their presentation is an important consideration, and such a gift will usually be delivered. They will often be sent to accompany another gift of a more permanent nature.

Less rigid standards of quality and service apply elsewhere in the higher and through most of the middle socio-economic groups, but flowers are still a fairly common gift. Substitute gifts (such as a box of chocolates) are thought to serve much the same purpose as a bunch of flowers (at least by the giver, if not so certainly by the receiver).

Among less well-off social groups, the giving of flowers is very much less frequent, although it is clearly a well-established custom in a small proportion of families.

A Continental habit which appears to be little established in United Kingdom is to take flowers when visiting friends or relatives in their own home. The more formal the occasion the more essential it is to have good quality flowers well presented and in most cases this means going to a florist. There is little evidence in Britain of the North American habit of wearing flowers as an important feature of a lady's personal decor on important social occasions. The wearing of buttonholes by men, on occasions other than weddings, is also infrequent enough to invite unspoken comment.

There has been some confusion in the past between flowers bought as gifts and flowers actually given as gifts, the latter being rather underestimated. From question and observation it is clear that one of the side effects of the prevalence of gardening in Britain is that a fair quantity of home grown flowers changes hands as gifts during the course of a season. Certainly on many less formal occasions a bunch of flowers from the giver's own garden has a special significance which outweighs any shortfall in quality or presentation. (This is particularly true of flowers taken to a sick person in hospital.) Many, particularly in the less well-off social groups, give garden flowers, but there are subtleties. Flowers are only taken to those with small or inadequate gardens of their own, or to elderly relatives who can no longer grow their own flowers.

* D. Pickard (Messrs. Produce Studies Ltd.) for the Horticultural Marketing Council, now defunct.

Religious occasions. Flowers bought for use in various aspects of religious ceremonies are one of the main consumer uses of flowers, mainly weddings and funerals. There must be remarkably few weddings which take place without even a small bouquet for the bride and a buttonhole for the 'groom, and of course they usually amount to much more than this, with additional flowers for principal guests, and decorations in the church and reception room. Weddings are comparatively rare events in most families and few would openly grudge the expenditure necessary to provide the now customary display.

Funerals fall into a slightly different category since it is now quite common to request that no flowers be sent. However, where this is not specified flowers of some sort are an obligation upon relatives, friends and associates. Flowers are not used at baptisms on any noticeable scale in Britain.

In the case of both weddings and funerals, the term flowers has been used, but of course much more than flowers is actually bought. A bunch of flowers will just not do for either occasion—they must be arranged according to a variety of traditional patterns, and since this is time consuming and requires an accumulation of training and artistry it is not surprisingly an expensive process. For many, these are probably the only occasions on which they feel compelled to buy flowers, and having paid the bill they may feel that they are enough.

Domestic Uses. Although as we have said, many flowers bought for other primary purposes often have a secondary stage as background decoration in the home, we have made a separate category for those flowers and plants bought primarily for the purchaser's home. In the first two categories the use of flowers and plants is mandatory within the prescribed social limits. It is generally much less socially necessary to have flowers in the house and the extent to which they are used depends a good deal on personal taste and circumstance. In other words flowers for the home are largely a personal pleasure and take their place in a long line of such prospective purchases for the householder. Price and impulse are the two major points which decide the level of purchase on these occasions.

The Household and Individual Market—Further Evidence and Discussion

Particular attention was given in the H.M.C. report produced by Produce Studies Ltd. to men as buyers of flowers, to the levels of expenditure on flowers, and when and where they were bought. Preliminary investigations showed little evidence that the picture had

greatly changed between 1962 and 1970, and it was felt that our more limited resources would be best used not in up-dating this information but in exploring further some of the interesting attitudes to flowers and flower sellers revealed in the H.M.C. report. In addition, the "domestic" market for flowers appears to be one of the weakest sectors of the trade and may be the one most open to development by marketing techniques.

The following paragraphs give a summary of the unprompted responses we received from a variety of groups of consumers to the mention of the topic of flowers and plants. The methods we used to gather this information are discussed in Appendix A, but it must be emphasised that this work has been conducted on a completely non-statistical basis. Housewives were chosen for our study groups since they purchase most of the flowers used in the home and a large proportion of flowers bought as gifts, and of course they are the recipients of the majority of such gifts.

Expense. The first reaction in all cases and among all social groups was that each would buy more flowers if they were less expensive (although imprecisely expressed, the attitude is very significant). Nevertheless, the actual amount of money being mentioned was probably less than the same consumers spend on cosmetic items and other little luxuries.

Few distinctions were drawn between flowers and pot plants. There seemed to be no more distinction between cut flowers and pot plants than there is between a bunch of flowers and a bouquet. Flowers are valued for their overtones of luxury and for their emotional significances (even though the blooms themselves only last for a matter of days) and they bring life and colour to a room. Flowering pot plants also bring colour but they need to be cared for and many respondents spoke of their pot plants in human terms. In addition, the exchange of cuttings and tips on care and propagation of pot plants seems to have become a social activity.

Frequency of Purchase. Although practically all respondents professed to like flowers, only a relatively small proportion had bought any flowers recently. (We suspected that many felt under some kind of social pressure, within the group, to appear to be a regular flower buyer. After one discussion was over a respondent was overheard to express relief that until then she had thought that she was the only one who did not buy flowers often.)

Flowers for Special occasions. These occasions are basically weddings and funerals, and few comments were made about them since the style is fairly uniform and few are willing to say much about expense on these occasions.

Gifts. Most housewives liked flowers as gifts (but a few preferred pot plants) and they are regarded as a safe gift. Housewives spend more when buying flowers for a gift than when buying for themselves. Pot plants, on the other hand, are a less common gift; in particular you need to know the tastes of a recipient since she may regard them as a nuisance (and some people are likely to regard some pot plants as grotesque). For reasons which we were unable to discover a cactus was thought to be a humorous gift. The most appropriate occasions for giving flowers were considered to be: on the birth of a baby, in times of sickness, on anniversaries (especially wedding anniversaries), when visiting old people and, less commonly, on moving house. To have the gift of flowers delivered by the florist adds greatly to the air of luxury and prestige which they impart. The northern housewives agreed that although their husbands did not give them flowers as often as they would like, they nevertheless felt that it was somehow unmanly to give flowers often. Although they would have liked the actual flowers they were rather proud of their husbands for not being flower givers.

Flowers for the home. Respondents bought more flowers in the late winter and early spring, and subsequently either did not bother or took flowers from their own gardens. This is clearly associated with the large quantities of spring bulb flowers on offer at reasonable prices, but it is less clear what the reaction to similar quantities of cheap flowers at other seasons would be. We gained the impression that spring was the only time at which some of the respondents did buy flowers for their own homes, and that purchases for special occasions make up the larger proportion of the total amount of money that is spent on flowers by households.

Most flowers were bought either at the end of the week for the week-end or at a weekly market. But flowers were largely bought on the impulse of seeing a display of flowers in the greengrocers, on a pavement display or on a stall which gave the opportunity of making a quick, simple purchase. Relatively little was spent and each purchase was supplemented with foliage from the garden or hedgerows.

Flower arranging. For some respondents this was an absorbing hobby akin to painting, and many of those in the upper social groups had attended flower arranging classes, with more or less success and enjoyment. Some had even become semi-professional, offering a service to decorate for functions (usually to the chagrin of the local florists, who were also upset because such operators usually obtained their flowers other than from a florist).

Flower clubs are a prominent feature of the social life of many towns and country areas, and they fulfil as much a social as an artistic function. They appear to flourish with little encouragement (and occasionally antagonism) from the flower trades as a whole. Quite a number of participants disliked the highly stylised arranging techniques taught at these classes and felt that the essence of flowers and plants was individuality. Instances were noted where a florist had created a great deal of interest by giving a lively and imaginative demonstration to a group. When the housewives subsequently went to the shop they were disappointed to find that they received no little "extras" in the way of additional tips or small discounts. The small requirements of flower arrangers were regarded as often fastidious and a nuisance by most florists. The arrangements seen in flower shops were admired, but were considered to be quite unsuitable for use in the home.

Flower Care. All respondents were keen to learn more about how to make flowers last longer. Many initially professed to have no satisfactory technique for doing so but most in fact did have some special tip or other, usually given to them by their mother, or some old friend. There was a wide variety in these techniques, and most had an element of correctness about them.

Several respondents were appreciative of the care instructions and sachets of chemicals (intended to improve the keeping quality of flowers) which are given by some florists. The instructions had obviously been followed with great care. All considered that central heating in the home shortened the life of cut flowers, although by no means all of the respondents had central heating or any practical experience in the matter. Those who had, confirmed that the higher temperature and lower humidity made it difficult to keep flowers for the length of time that they would have expected.

Flower Quality. Quality, to virtually all the respondents, meant freshness, and this particular attribute was uppermost when flowers from alternative sources were being considered. Local flowers scored heavily with consumers on this account, and flowers in bud were particularly popular not only because they seemed fresher but because the whole development of the bloom could be enjoyed. Freshness of the flowers was a particularly important virtue for buyers in our northern groups, who felt that local flowers were also used to the local atmosphere and would therefore last longer. They made scathing references to flowers brought in "from the South", and to "forced" flowers which would not last well and had no foliage with them. Most buyers avoided flowers displayed in boxes since the boxes were

thought to be associated with travel and lack of freshness. In addition most believed Monday to be a bad day to buy flowers since they were likely to be those left over from the ones the florist bought on Friday.

Other aspects of quality had been given little thought, and some respondents even assumed all flowers of a given species to be of uniform quality in all respects other than freshness, and that variations in prices were purely the whim of the flower sellers.

Florists. Flower shops were clearly divided in the minds of our respondents into the high class establishments where they bought gifts and flowers for special occasions, and the less grand shops, preferably associated with a local nursery, where they made their more everyday purchases. Despite the fact that many of them rarely bought flowers for any purpose they had a clear picture in their own minds of the most appropriate outlet for a particular article. The high class florist was expensive because he carried more exotic blooms, out of season or unusual flowers, of a slightly higher quality, and he had special skills available. All respondents were aware that it would be inappropriate to expect cheap flowers in such a shop. A few who had entered such establishments with the idea of buying something modest but not cheap had been embarrassed by the high prices and by feeling that they were expected to buy a big bunch. The other customers were often more smartly dressed and making big purchases, and the final humiliation was to be passed to an underling called from the depths of the shop to deal with such a trivial order. Most had finally spent more than they had intended, not from persuasion or good salesmanship but in response to a certain kind of "hauteur" about the shop as a whole.

The nurseryman florist on the other hand inspires confidence, is typically friendly and helpful, has more modest prices or fresher produce, and the ultimate satisfaction in the eyes of some respondents was to go out to the nursery at the back to choose some blooms and have them cut there and then. (It is interesting to note that research in West Germany shows that a shop attached to a nursery (common in Germany) was the most popular source of flowers among consumers there too.)

Greengrocers. The greengrocer is thought to deal in fresher flowers, often local in origin, and since he knows you and sees you regularly (presumably a good deal more regularly than the florist does) he will not sell you rubbish. In addition you are not paying for any particular skills and artistry that you do not need.

Flower stalls. Flower stalls in a market hall or along the street are (together with greengrocers) the main points for impulse sales. It

is possible to linger to inspect the blooms and to perhaps ask about them without becoming inextricably involved. Quality, freshness and price are sometimes an unknown quantity, but each buyer is prepared to spot what she regards as a bargain and in any case feels equal to any situation which may arise. Some respondents believed stallholders to deal in fresher produce because they must clear it each day—although this is unlikely to be true.

General comments. Although all the respondents had at least some ideas about flowers, where to get them, on what occasions to use them and could make a few socially acceptable remarks about them, few gave the impression that flowers were an important part of their own domestic lives. Housewives are subjected to a great deal of commercial and social pressure to acquire possessions, but flowers and plants are an exception in both cases. Little commercial pressure has come from flower sellers and social conventions are satisfied by a few remarks and the presence in the home of a few flowers, or more likely a plant or two, on occasion.

It was remarkable that the attitudes and responses were much the same in all the social groups that we met. The more well-off consumers probably bought more actual flowers in relation to their lip-service, and perhaps paid slightly more for each purchase but the remarks were virtually interchangeable from one group to another. But it must be pointed out that we were dealing with the higher socio-economic groups A, B and to a lesser extent C1, which together only comprise about 35-40 per cent of the population. The remaining 60-65 per cent of the population (the less well-off groups) appear only to *buy* flowers for what might be called the "necessary" occasions of weddings and funerals, although many of them appreciate flowers and plants and give or receive them from time to time. This general conclusion is supported by the H.M.C. report, and more recent studies in France and Germany all show that a similarly large proportion of the populations in these countries also never buy flowers except under the pressure of a special occasion.

The most fundamental point concerns expense and the complex subject of value for money. Value satisfaction can be grouped under four main headings:

I. i. In the goods themselves.
   ii. In the act of buying.
   iii. Buyer's satisfaction.
   iv. Receiver's satisfaction (gifts only).

The degree to which the housewife feels she has received value for money is dependent upon the reason for the purchase, and its price, and upon a subjective analysis of a series of interrelated factors:

II. i. Type of outlet used.
ii. Appearance and image of outlet.
iii. Attitude to the seller and the service offered.
iv. Selection available from outlet.
v. Quality of flowers.
vi. Presentation of flowers.
vii. Opportunity to choose individual blooms.
viii. Life expectancy of flowers.
ix. Substitute products available—which of course need not be flowers.

Whether a purchaser gets value for money, depends upon a particular balance of all of these factors but primarily upon I (i)—the goods themselves, and what she has come to expect from them. Although all our respondents were aware of an emotional and aesthetic value in flowers few put a high price on it and consequently thought flowers to be expensive.

Flowers and Plants Bought by Commercial and Institutional Organisations

This sector of the market is little subject to scrutiny by the flower trades, the press and the public at large, and does not receive the attention it deserves.

Flowers and plants in offices, flowers sent to hotels to welcome business guests, flowers used to decorate rooms for private functions are all well established uses which are becoming more common. These are additional to the better-known uses of flowers and potted plants in conference halls, clubs, ballrooms and concert halls. A number of firms send flowers to employees who fall sick, and send wreaths to the funerals of former employees. Both are common practices and both are done discreetly. The individual firm usually places its business with one firm of florists, and once the practice is established for flowers to be used or given on any particular occasion, the practice continues under its own inertia. In addition, as firms become more conscious of outward appearances it becomes mandatory to use flowers for decoration and to observe the social custom of the day. These points add up to the commercial trade or "contracts" as florists often describe them, as being one of the better lines of business to be in. There is no clear indication of whether the increased "business" use

of flowers is the result of a push from flower sellers or a pull from more prestige-conscious businesses—there is evidence to support both points.

Nevertheless, while these uses of flowers and plants in businesses are fairly common, it would be quite wrong to give the impression that they are the general rule. A great number of business organisations are so overwhelmed by day to day problems, running on such fine margins, or unconcerned about outward appearances, that the presence or absence of a vase of flowers is a mere triviality. A bowl of fresh flowers is only seen by those visiting the head offices of very prestigious organisations. Most churches provide flowers for routine decoration (except in Lent) and these are often bought flowers, but by no means all hotels have a display of green plants, to say nothing of a few fresh flowers. In both hotels and restaurants plastic flowers are more frequently found than are fresh ones.

Nevertheless, we have noticed that the commercial and institutional use of flowers and plants amounts to at least one-third of the total; and that this sector seems to have been growing. It ought to be capable of further growth and in some respects it offers superior opportunities. Flowers bought for offices, etc., are bought in quite large quantity on each occasion, and with considerable regularity; this suggests the possibility of creating a distinctive merchandising channel specially tailored to this trade.

Chapter II

HOME PRODUCED AND IMPORTED SUPPLIES: SOURCES, SUPPLY TRENDS, SEASONS

Supplies. Home produced supplies fall into two main groups, glasshouse flowers and pot plants, and outdoor flowers.

Acreages. The scale of home production is summarised in these terms in the figures in Tables 2 and 3. In the early years of the 1960's the acreage devoted to flowers increased at the expense of the then less profitable tomato crop, but there then followed a swing in the opposite direction. This substitution between flowers and tomatoes has declined probably because all crops increasingly demand specialist skills in the producer and these skills are not quickly or easily acquired. Outdoor flowers fall into two main categories. Bulb flowers and other spring flowers both from the south-west of England, the Channel Islands and from eastern England have been produced in increasing quantities during the post-war years. Outdoor summer cut flowers on the other hand are a declining trade, since the flower crops are losing ground to other crops which are easier or more profitable to grow. Much of the outdoor flower production is small scale and local, and the summer flowers which find their way on to the national markets are often produced on relatively small holdings in the Eastern Counties. Marketing in these cases consists primarily of bulking up small individual consignments into economical lorry loads, but the wholesalers or country merchants who do this work are becoming fewer in number as they either go out of business or handle more remunerative crops. In any case it does not make economic sense to consign relatively low value produce across the country to take up valuable space in wholesale markets.

One sector of production which has shown a steady increase is bulb flower crops, where early crops are produced outdoors in favoured localities and under glass elsewhere, and later crops out of doors in the Eastern and South-Eastern counties. Much of the growth of this trade is associated with the growth of flower bulb production and also with the increased opportunities for mechanising the field operations. In addition, these crops are welcomed in the markets since they appear at a time when the fruit and vegetable as well as the flower traders have comparatively little produce to handle.

TABLE 2

(June) Acreages of Ornamental Crops Grown in England and Wales

	1935	1945	1960	1965	1966	1967	1968	1969
Outdoors								
Bulbs and bulb flowers	6,788	2,134	12,153	13,026	13,567	13,342	13,772	14,699
Other Flowers	5,180	2,772	6,441	4,686	5,395	5,841	5,638	3,847
Hardy Nursery Stock	9,170	5,577	13,268	15,100	14,331	13,938	13,600	14,741
Under Glass								
Acreage devoted to flowers and plants	(a)	141	861	1,094	1,137	1,125	1,195	1,269
Plus area of Chrysanthemums grown in autumn and winter season ...	(a)	153	724	703	710	752	788	820
Source: Ministry of Agriculture, Fisheries and Food.								
Population ('000)	39,952 (1931)	43,758 (1951)	45,775	47,688	47,985	48,301	48,593	

(a) not available before 1945

TABLE 3

Acreages of Certain Ornamental Plants Grown under Glass in England and Wales

	1950	1955	1960	1964	1965	1966	1967	1968	1969	1970
1. *Crops in glasshouses at Census Date (January)*										
Carnations										
Sale as cuttings	92	161	183	10	8	7	6	7	13	
Sale as flowers				172	184	182	177	199	188	
Roses	56	108	123	127	131	135	97	103	112	
Chrysanthemums										
Year round production	a	a	a	77	72	70	86	97	104	
Sale as pot plants	a	a	a	a	a	a	a	a	39	
Sale as cuttings	a	a	a	34	42	38	43	50	53	
All other chrysanthemums (b) ...	a	a	a	111	108	141	142	127	100	
Bulbs for forcing	a	a	176	175	171	174	161	171	177	
Freezia	a	a	a	27	25	24	25	26	24	
Flowering pot plants other than chrysanthemums	a	a	a	152	149	155	171	183	189	
Foliage plants in pots	a	a	a	37	38	43	47	46	50	
All other flowers, foliage crops, seedlings, etc.	a	a	a	168	166	168	170	187	190	
2. Area of chrysanthemums grown in autumn/winter (b)	393	654	724	711	703	710	752	788	820	

Source: Ministry of Agriculture, Fisheries and Food.

(a) Figures not collected

(b) Possibility of some double counting in these two categories

Value of Output. In a fragmented industry producing a wide range of crops varying greatly in value, estimates of the value of output are difficult to make and must be treated with considerable caution. A series of estimated wholesale values for the United Kingdom output of cut flowers and pot plants during the years 1950-1969 are given in Table 4. Much of the basic material was supplied by the Ministry of Agriculture, but in most cases unwanted categories had been included. For example, in the years up to 1965 the figure for "outdoor production" includes all nursery stock material, and we have had to make estimates of the increasing values in this category and of the decreasing values in the outdoor flowers category. The later figures are the more authoritative estimates published by the Ministry of Agriculture. Imported material is subjected to careful scrutiny and fairly comprehensive statistics are available. Nevertheless, all the figures must be regarded as estimates, and no more. A more detailed account of the published information concerning home produced supplies and of imports of cut flowers and pot plants into the United Kingdom is given in *Horticulture in Britain—Part II*, H.M.S.O., 1971.

In recent years the estimated value of imported flowers has been between 15 per cent and 20 per cent of the total estimated value available for sale, but three-quarters of these imported flowers come from the Channel Islands and only about one-quarter (5 per cent of the total value for sale) are "imported" in the usual sense. All these proportions have remained at similar levels for a number of years. Unfortunately figures for the values of home production and imports have not been made widely available so that there has been a good deal of speculation about the assumed increase in the importance of overseas supplies. The major part of imported flowers, other than those from the Channel Islands, come from the Netherlands and France but smaller quantities are sent regularly from a very large number of countries. The relative competitiveness of home produced and imported material is constantly undergoing change as a result of changes in production technology both for the actual crops and for alternative crops, both at home and abroad, and also as a result of changes in transport technology.

Seasonality. The outward appearance of the flower trade is one of adequate supplies all the year. Certain flowers such as spring bulb flowers, anemones, outdoor summer flowers and natural season chrysanthemums have fairly definite and predictable seasons following in sequence and these, supplemented by glasshouse flowers and imports, do mean that something is available all the time—at a price.

TABLE 4

Estimated Wholesale Values of Cut Flowers and Pot Plants Sold on the United Kingdom Market

(£'000,000)

	1950	1955	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
		(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(2) (3)	(2) (4)	
Home Produced	na	14.4	17.3	19.4	21.6	21.4	22.6	23.7	23.9	24.0	25.6	27.0	27.6	
Imported (inc. Channel Isles)	1.7	2.8	4.6	4.3	4.5	3.9	4.3	4.6	5.0	5.3	5.6	6.9	6.6	
TOTAL	—	17.2	21.9	23.7	26.1	25.3	26.9	28.3	28.9	29.3	31.2	33.9	34.2	

na not available.
1. Estimates based on material from a number of sources including Ministry of Agriculture, Fisheries and Food.
2. Estimates supplied by Ministry of Agriculture, Fisheries and Food.
3. Provisional.
4. Forecast.

The trade has to be capable of adjusting to quite considerable changes, not only in the total quantities coming forward but to changes in the types of flowers coming forward and from different sources. The summer flush of glasshouse flowers and of outdoor flowers is the main feature of the supply pattern. Controlled environment techniques are at an early stage of development and in any case are expensive, so that the overall pattern is of an overabundance of blooms in the summer high light period and a shortage during the winter months. Prices fluctuate greatly between seasons, particularly in terms of net returns to the producer. Table 5 illustrates the great variation in output of blooms that a specialist carnation grower can expect to produce. On this particular nursery great efforts were being made to move the summer flush of blooms back into the autumn, but even so July is still the peak month. The Table also shows how the returns can vary for much the same quantity of produce (November/December) and that the returns per unit are particularly low in summer months.

TABLE 5

Sales per Month from a Specialist Carnation Nursery

	Units sold	*Net Returns £	Approx. Average Return per Unit £
January	500	600	1.2
February	400	550	1.4
March	1,400	1,100	0.8
April	1,550	1,600	1.0
May	1,000	1,100	1.1
June	1,400	700	0.5
July	1,950	1,050	0.5
August	1,450	850	0.6
September	900	400	0.4
October	950	550	0.6
November	1,100	1,050	0.9
December	1,100	1,850	1.7

* A high proportion were sold on commission in wholesale markets; these figures are net of commission, handling and other market charges.

Chapter III

MARKETING AND DISTRIBUTIVE SYSTEMS IN THE UNITED KINGDOM

The route taken by individual flowers from producer or importer to consumer is often quite direct, passing through no more than two hands, but the most important characteristic of the distributive system as a whole is its variety and flexibility. Flowers and plants are extremely perishable, encouraging traders to continually search for shorter routes for distribution, and they require (at least for some uses) very little in the way of special handling facilities and no "processing" before they can be used. This makes certain parts of the flower trade relatively low in capital input and thus it is relatively easy for newcomers to enter. This is not to say that some skill is not needed in operating even the simplest flower selling business and many businesses founder for want of expertise in buying and handling such perishable produce.

Retail Outlets

Consumers for their part can obtain flowers from a wide range of sources, although by no means all of the possible alternatives listed below will be available to an individual consumer in a given area. Disregarding flowers grown in private gardens, the main sources are:

I. Specialist florists.
II. Florists who also sell fruit and vegetables.
III. Greengrocers selling some flowers.
IV. Department stores, variety chains and supermarkets.
V. Street stalls, regular or once weekly.
VI. Direct from the nursery or garden centre.

Specialist florists. These are the retailers who are reckoned to be the key to the retail trade. Certainly they are the outlets of which most people first think when flower buying is mentioned, and their activities set much of the tone of the trade as a whole. Flower shops vary widely in style and ownership. Subjectively at least, the top of the group consists of extremely elaborate shops, often expensively

fitted and aimed at the highest class of trade. The emphasis is on quality and service, with particular emphasis on artistic creations. Good value for money can be obtained from quite modest-looking establishments and a pretentious shop front and layout is no guarantee of satisfaction in the product. Lower down this subjective "scale" it is quite common for a flower shop to be run alongside a fruit shop or a general greengrocery business—there are fairly obvious economies in going to the market to buy for both. We would like to note in passing that in our opinion the better United Kingdom flower shops of any type are as attractive to go into as any on the Continent, although we accept that to many would-be customers some of these shops may appear a little forbidding. We also feel that allowing for differences in taste the standards of floristry were also very comparable.

The flower departments of the big stores resemble privately run florists' shops in the types of services provided, although the management is usually on a rather different basis. The effect is often of a shop within a shop, either run as a department of the main store or sometimes let on a franchise basis.

Stalls. There are scanty dividing lines between specialist flower shops and several other general categories. For example a flower stall operating daily in a market hall apparently serves much the same purpose as a flower shop in private premises, and both the tenant of the market stall and at least the regular street seller have the common bond with the florist of relying on flower sales for their livelihood, but consumers do regard them as serving different purposes, as has been discussed elsewhere. The occasional street seller who alternates between selling cheap flowers and a variety of other cheap goods is in a somewhat different category.

Nursery Sales. The importance of these sales cannot be estimated since no record of the existence of this kind of business is published in any official documents. Their importance is purely local. In many areas few nurseries exist so that local sales are minimal: in others there are many mixed nurseries and these sales are important.

Greengrocers. It has long been traditional for some greengrocers to carry a few lines of flowers but the practice appears to be spreading, aided by two main factors—the development of delivery services by wholesalers and the increased quantities of bulb flowers on sale in the spring. Much of the trade done by greengrocers is seasonal, flowers being handled only when they are cheap and plentiful.

Supermarkets specialising in groceries and household goods also handle a certain number of flowers and plants although at present this is a highly seasonal trade with bulb flowers providing a large part of the turnover. There is some prospect of increasing this throughput in the immediate future provided that some of the technical and organisational problems can be overcome.

Itinerant Traders. When flowers are cheap and plentiful a number of people come into the trade to hawk them from door to door or to sit by the roadside hoping to sell flowers to motorists, before being moved on by the police. Although these traders are regarded with some contempt by the profession they nevertheless serve a useful function in helping to move what would perhaps otherwise be unsaleable produce, to people who would perhaps otherwise not have bought flowers on that occasion. A modern form of this kind of trading is to sell flowers on a regular retail round using a van and calling on individual consumers. This sounds a promising development but few seem to be either noticeably successful at it, or to stay in business for very long. In any case it is not to be confused with growers who make a round of calls to retail shops, which in many circumstances is a very satisfactory method of doing business.

Our attempts to collect information about the retail trade in a systematic way were foiled by several important features of the trade. Not only is it very varied but many flower sellers feel no close ties with other different or even similar branches of the profession—this means that there is no inclusive professional organisation from which to obtain a list of traders.

How large the retail sector is depends on how a "florist" is defined. No possible measure can be given of the number of street sellers or of nurseries doing a retail trade. A list of stall holders selling flowers in retail markets could be compiled by writing to every local authority in the country but such a list would be valueless because some traders are much more important than others—indeed some appear to be nothing more than one of a number of names over one stall. This makes the point that a simple number of separate outlets can be very misleading, and the seasonal outlets, disregarded by the professional florists, are an important part of the flower trade as a whole. Nevertheless, the *bona fide* florists are the traders most committed to selling flowers and plants and are responsible for the major part of the total trade, including services. Previous estimates range from 2,000 to 6,000. We have identified 4,800 (say 5,000) who appear under "Florists" in the national telephone directory.

Faced with this sketchy information there seemed little alternative to visiting the major urban areas of Britain in order to compare the retailing facilities as they would appear to a consumer, and this was done. In addition, we attempted to build up a more complete picture by selecting a few towns and doing a complete search of the whole area on foot, and by asking questions of retailers and consumers, identifying all the points in the area at which flowers and pot plants can be bought at retail. Selected areas of London were covered in this way, as was a continuous area from South-East London to the Thanet towns, as well as other major towns in Kent. Sheffield was covered in detail for comparison. Florists were visited and varying amounts of information were disclosed about their businesses and their sources of supplies of flowers and plants.

In any line of business, be it manufacturing, distribution or a service trade or profession, it is normal to find a range from extremely high competence and success to actual failure. We found this in flower retailing both in the would-be high class shops and among street sellers. There were those traders who were prepared to admit that business was good and to say that in general there was plenty of scope in the flower trade for anybody with skill and prepared to work hard. An aspect common to all the businesses which were claimed to be successful was the presence of one person with an obvious relish for selling. We cannot say what other behind-the-scenes attributes were also present, but someone in the shop who is welcoming, helpful and pleasant seems to be an axiom of success. Those who complained about lack of success or poor business were probably right but were unwilling to produce much supporting evidence. The chances are that these various groups of individuals would have respectively succeeded or failed at any other line of business that they chose to turn to. The real question is—is there a greater chance of failure in a floristry business than in any other? All businesses have their problems—personnel, materials, consumer preferences—in what ways does the flower trade differ?

To begin with, the trading difficulties in floristry and flower selling, although considerable, are not unique. Personnel with a flair for salesmanship are always at a premium which some florists may not be able to afford; an interest in the work is also required but this should not be unusual. The work itself is rather a different matter since it is for the most part over long hours,* in sometimes messy

* Although a common criticism among consumers was that shop hours were not long enough.

conditions, doing work which requires great care and manipulative skill; the number who are prepared to put up with these conditions are the few who recognise the compensations of creative work. In addition the work fails to gain any widespread recognition as being creative and it does not qualify for any obvious career ladder.

Some professional florists had (and many more wished that they had) promising trainees "learning the business" in their shops. There are a few schools of floristry and these are well thought of, but the majority of trainees seemed to be just picking the art up as they went along. Certainly we could find no evidence of the widespread use of proficiency tests and of payments for proven ability. The absence of any recognisable promotion ladder must deter a number of would be entrants to the trade. (We understand that this matter is now under discussion by an Industrial Training Board). One long-term result of this shortage of trainees and of a promotion ladder, is that there are very few proficient employees for whom the next obvious and logical step is to move away and to open a shop of their own.

The flowers and plants themselves are in varying degrees perishable but more than this, quality is evidenced in quite subtle characteristics, so that wise and economical buying is a key skill which has to be learned the hard way.

The overhead costs of trading are considered by many to be absolutely crippling. Rents and rates are increased regularly and S.E.T. came as a bitter blow to the trade. Far from being encouraged to improve their premises or to move to more ambitious sites, some flower sellers find it increasingly difficult to stay where they are.

Flower stalls in market halls are a prominent feature of the trade in the Midlands, Wales and the North but are much less prominent in the Southern Counties and London. Indeed market halls as such are uncommon in the Southern Counties. The major points in this connection are that they do provide would-be florists with a relatively low cost outlet from which to operate, and these outlets are in covered buildings which are generally full of bustle, light and warmth even in the depths of winter.

Nevertheless, despite the difficulties inherent in it, floristry and flower selling are not all that far out of line with all other branches of small retailing which suffer from a similar collection of problems. The real problem surely, is that small retailing as a whole is somewhat at a disadvantage these days in terms of rewards for the work put in. In particular, floristry often attracts a type of person with unusual

standards of satisfaction who may allow himself to be exploited at least in the eyes of those who regard money as the only measure of reward.

Several instances were found of three, four or five shops being run by the same overall management but these are the exception. The general experience is the one or two shop business run by the owner and his wife. Certainly we found no evidence of any large-scale growth of chains of florist shops with central buying and management facilities. The personal nature of the business and the skill and detailed attention needed in buying produce and in running the business seem to have precluded large scale developments.

Street sellers are a very small sector of the total trade and subject to a rather different set of circumstances from most other flower sellers. Regardless of their small importance in terms of turnover, street sellers are of considerable importance in bringing flowers to the notice of the public at large. For this reason, it is a pity that their numbers appear to be declining, the usual explanation being that they are discouraged by the traffic authorities, abused by nearby florists and denied renewal of their trading licences by local authorities. All these charges are firmly denied by the parties concerned but there is no doubt that there is an element of persecution in their treatment. Probably the most significant factor in the decline in numbers of street sellers is that other forms of employment are now generally available and more attractive, and fewer people survive by alternating street selling of whatever appears to be going cheaply at the time, with a day at the racecourse, or with selling hot chestnuts in winter.

During our visits we looked specifically for evidence of attempts to drum up new business, either by visiting potential business clients or by consumer advertising and exhibiting at local shows. Many established florists do some local advertising in newspapers, programmes, on cinema screens and some miss no opportunity to put on a display at a local event. Some of the better speakers also do flower arranging demonstrations, which we found created a deal of interest among consumers. The amount of new commercial business in any locality is not unlimited, but even so we were rather surprised by how little positive effort was being made to galvanise what there is. Several florists claimed to be making new contacts and following up likely contracts with hotels and business organisations, and one London florist employs a full-time salesman with assistants on this work. But for the majority of florists the sales persistence needed is perhaps alien to their nature, and in many cases they claim to have just about as much work as they and their staff can cope with.

Regional Differences. Considered as an average, 5,000 shops spread over 55,000,000 people gives one shop to serve every 11,000 people, although clearly some of the nominal buyers are unlikely to actually do much flower buying. This figure compares with say, one news-agent/tobacconist/confectioner to every 800 people. London as a whole appears to be reasonably well supplied with one florist to every 7,500 to 8,000 people but even here alternative figures can be found which give a less promising view. Some comparative figures for other European capitals are given in Table 6.

TABLE 6

The Numbers of Flower Shops in some European Cities

City	No. of Shops	No. of inhabitants per Shop
Amsterdam	363	2,846
West Berlin	792	1,353
Berne	43	3,893
Brussels	348	3,016
Copenhagen	559	1,264
Lisbon...	87	9,395
London	710	7,224
Paris	841	8,763
Oslo	182	2,663
Vienna	185	8,834

Source: Produktschap voor Siergewassen.

(These figures should be treated with caution because the precise categories included are not known. For example street sellers are important in Paris, and London has 'greengrocers selling flowers" which is a category unknown elsewhere and in any case unlikely to be classed as a "flower shop".)

The regional pattern in Britain as a whole is unclear. There do seem to be differences in the degree of coverage by retail florists between areas but of course this is not the whole picture. Sales outlets belonging to greengrocers and nurserymen are almost certainly under-represented in the figures in Table 7. In addition the florists' shops are not a uniform group, since they vary in the range and quality of the flowers and plants which they have on offer—something which will also vary from one season of the year to another. In other words to find a florist quoted in the telephone directory is no guarantee of being able to get a bunch of a particular flower. Wealthy residential areas seem to be well provided for, but people in remoter and poorer areas either support fewer shops or alternatively find flowers less widely on offer. Although the figures in Table 7 are subject to the

above reservations and are based on slightly optimistic population estimates they do give some indication of the differing apparent degree of cover by "florists".

TABLE 7

Estimated Population served by each Retail Florist in selected areas of United Kingdom (based on information supplied by G.P.O.)

	Population per Shop
Liverpool	20,500
Manchester	8,700
Bradford	9,700
Newcastle	25,000
Birmingham	10,400
Coventry	17,800
Cardiff	12,300
Swansea	9,200
Norwich	8,200
Cambridge	15,800
Brighton	6,100
Reading	11,000
Exeter	5,700
Taunton	14,800
Aberdeen	13,000*
Glasgow and West Scotland ...	23,200*
Belfast...	21,400

(* Population thought to be overestimated.)

We have been struck by the great differences in the tone of the trade as between quite close areas. One example was in Bristol, where flowers and flower sellers were very little in evidence, whereas in nearby parts of South Wales, flower selling, particularly in the market halls, was apparently quite brisk. Both areas are served by wholesale markets and seem to be fairly well provided with local produce. Could Bristol, for example, support more flower shops, or is the temperament and attitude of the people so different from that in (say) nearby Newport, that the trade in both places has reached its proper level? It could be of course that our observation is at fault and that we missed a large number of the outlying florists in Bristol, so that the answer is that there is much the same level of trade but it takes place in a wide scatter of shops rather than in one central area. These unexplained differences are widespread throughout the country and although they are of little interest to the traders involved (provided that they are successful traders) they could be of interest to the industry as a whole.

We have made no particular study of the flowers-by-wire business since this is one method of transaction rather than a specific use for flowers. It facilitates the sale of flowers, but any shortfalls in the operations of the systems are unlikely to be affecting the national level of consumption to any great extent, although these supposed failings do provide a fund of bad publicity and damage the trade as a whole in the eyes of some consumers. From our point of view such a study would come too near to being an invidious comparison of the two organisations concerned, and it would have certainly involved us in unproductive bickering between the various parties involved. It was quite clear that the supposed hazards of the various systems of flowers-by-wire were the one topic on which the interest of any florist could always be aroused.

Channels of Supply

The channels of supply for pot plants and flowers can usefully be described as falling into two main categories—sales made through the wholesale markets and those made outside them. In both cases a further sub-division can be made into those cases where the retailer himself makes the first purchase and those where some intermediary does so. In theory this means that the retailer will obtain his supplies from a range of sources, since some sources deal only in a limited range of produce. In practice not all types of source are available to each retailer in each locality, although most florists could name half a dozen individuals from whom they bought at some time during the season. The short list of likely sources is:

(i) the wholesale market;

(ii) a distributing wholesaler or agent (who may get a part of his supplies from the wholesale market and part direct from producers, who again may be near at hand or distant);

(iii) direct from the nursery;

(iv) direct from the exporting agent (*e.g.*, in Holland).

The wholesale market, despite popular opinion to the contrary, remains the hub of the distributive system. Covent Garden for example has an annual turnover of £10–11 million on flowers and plants out of an estimated national total (both at wholesale values) of around £30–40 million. Even if the other twenty or so wholesale markets have only a modest combined total this leaves little doubt about the importance of markets in the system as a whole.

The London Area

The position here is unique in that the retailer has the possibility of going to buy his own flowers in one of the best flower markets in the world, namely Covent Garden. Not only are all types of home grown flowers sent there in quantity but London is the centre of a network of international transport systems which makes it possible for all types of flowers and foliage to be sent from all over the world. The great possibilities inherent in this situation place the retailer in the London area in a prime position to develop a specialist business. However, the physical difficulties of getting into and out of the market make it a less pleasant task for those who do go, and it deters many from taking advantage of what the market has to offer. Many florists, even some in the outer suburbs, prefer to buy their flowers through an agent or through a distributing wholesaler who will deliver to the shop. Nevertheless, Covent Garden either directly or indirectly remains the focus of the flower trade in Southern England. It also plays the part, throughout the country, of a reliable source for extra supplies or for unusual items or for particular quality. A number of merchants operate around the market and undertake to fulfil specific orders taken from various parts of the United Kingdom or from abroad. These orders are shipped by rail in the main, and this enables florists in some of the more remote parts to provide a better service than would be possible from only local sources or from established links with producers.

Outside the London Area

Wholesale markets exist widely throughout the country but they vary considerably in the extent to which they are a useful source of supply for the florist. Much seems to depend on the enthusiasm and initiative of one or two wholesalers who happened to be keen to build up a flower trade rather than any other kind of trade they might have chosen. Manchester market for example seems to have been a useful regional flower market for many years while nearby Liverpool market is nothing out of the ordinary. In the past these provincial markets relied quite heavily on reconsignment from Covent Garden, but in recent years improvements in road transport in particular and in communications in general, have enabled them to function more or less independently.

Outside of the London area, the distributing wholesaler plays a vital part in the market system. Distances are relatively greater, and florists (other than those near the markets) may not regard it as feasible to go to market to buy for themselves. The wholesaler either

buys for orders which he has previously taken from the florist or he buys "on spec" and sells off the lorry to the florist. Just which way the business is done depends more on the keenness of the florist than on anything else. The more conscientious and ambitious the florists, the more precise will be their requirements. The distributing wholesaler for his part performs the vital but largely unrecognised merchanting function of knowing exactly where supplies of any particular quality of bloom can be obtained and to obtain them by the shortest economical route. In practice this means that although distributing wholesalers are big buyers in the markets, large quantities of flowers and plants are consigned directly from the nursery to these distributors. It is worth pointing out that throughout the wholesale trade, in the market or outside, getting to know good senders of good produce is one of the major concerns of the wholesaler, who almost always knows where he can sell what he considers to be "good" produce. The commission wholesaler is the sender's agent but in order to fulfil this function he has to do his best to match what the grower sends to the retailer's requirements and to keep the trust and custom both of the retailer and of the sender.

The remaining sources of supplies are used very much according to local circumstances. A florist with his own nursery is an obvious example, but few nurseries can run sufficient lines to entirely supply a presentable florist's shop. Many more florists buy some of their supplies direct from the nursery which although nominally "local", may be up to 20 miles away. The claimed virtues of this trade are that produce is fresher and of a known quality, less damaged in transit, not necessarily "cheaper" but better value for money, and that when complaints do arise, it is possible to deal with them speedily, on a personal basis. A number of the more enterprising and selective florists found it well worth while to maintain a regular contact with an agent in an overseas producing country, since this was often for them the most reliable source of supply for a particular quality of flower.

We shall comment later in this report on a seeming shortage of distributive capacity, and this is in part a result of changes in the location and scale of production. In previous decades small mixed nurseries were more widely scattered across the country and each served a part or most of the needs of a locality. For a variety of reasons many of these local nurseries have gone out of business in recent years and production has become concentrated in larger production units, sometimes located in high light intensity areas but distant from the major centres of consumption. So distribution has become more important in two ways. As a production unit (which previously

supplied a given locality) becomes larger, an increasing proportion of the flowers and plants has to be sent farther away in order to find a ready market. New production capacity located in an already well supplied area will naturally expect to send a high proportion of its output away from the district.

Prices

Like all else to do with the flower trade, the price structure is complex. A study of the prices of one type of flower, for example carnations, in all their variety, *vis-a-vis* all other types of flowers and plants, might be a manageable study, but to attempt to cover all aspects of seasonality, quality, value added in the form of artistry, and the relative competitiveness of alternative outlets for the whole range of flowers and plants, would be extremely naive, as well as being largely useless.

The only readily accessible sources of price information are the published market reports covering the main wholesale markets. Even these prices are subject to all sorts of minor errors in collection, and the variations in prices from day to day reflect the net effects of a multitude of supply and demand factors. It is also easy to read too much significance into the differences between the general levels of prices in different markets. Often these reflect only the sizes of the markets and the extents to which they are patronised by retailers and by distributing wholesalers. We found a good example of this in Germany. The prices for carnations are higher in the Cologne flower market (which is a comparatively small growers' market, used by local retailers) than at the Neuss auction an hour's drive away (which is a large market used by growers with more produce than they can dispose of locally and where the buyers are mainly wholesalers).

The main concern here is, whether prices are "too high" and therefore restricting consumption. Before we go any further it must be pointed out that price is only one side of the story since the quantity sold at any given price is equally important but unobtainable information. Two points of comparison may be useful. First, United Kingdom flower prices at retail are somewhat lower than those found for comparable flowers and service in the majority of West European countries. (The Dutch with their export rejects to dispose of are a special case.) Secondly, flower prices have gone up less than have the prices of a whole range of more or less competitive goods, *e.g.*, confectionery. Both these points suggest that there is nothing much in the general level of prices which might be holding back consumption. On the other hand, the British consumer, as far as we have

been able to ascertain, has rather different attitudes to what constitutes value for money than has the European consumer, and in many instances does regard the generality of "flowers" as being too expensive. In addition the distribution facilities given to flowers are somewhat patchy and it is quite possible that localities exist where there is very little competition, and that local traders are free to pitch their prices according to what they think the trade will bear. In general, however, British consumers do not realise how lucky they are.

Traders have varying attitudes to the price levels for flowers but many feel that they are generally too low. This is a natural reaction for any group of traders; and flower producers and traders are not unique in this. The prices of most primary products tend to rise at a slower rate than do those of most manufactured commodities, and growers' prices for carnations, roses, tulips and daffodils were much the same and sometimes lower in 1969 than they were in 1961-2, although costs of production have been rising steadily. One factor which has helped to keep prices steady is the gradual rise in the level of production of flowers and pot plants in the absence of any notably greater selling effort. The regular make-up trade has a fairly steady requirement for flowers and in the face of increased supplies buyers can afford to be more selective or strike harder bargains knowing that any flowers left over have to be cleared by a limited and only slowly increasing number of other flower sellers. There is some small comfort for the trade in the fact that although prices are steady (and falling in real terms) the extra output of flowers is being absorbed by old or new consumers. This increased output of flowers is often not a result of signs of increased consumer demands but rather the result of individual producers stepping up production as the only way out of the price-cost squeeze. In addition, as the years go by, more is known about the techniques, snags and tricks of production of any given crop, thus the crop becomes easier to grow—and not only for the innovators. It also becomes possible for less good and less expert growers to get hold of more and more specific guidance on how to grow the crop. So not only do production areas tend to increase but the physical yields from given areas increase too. In addition a variety of capital grants are available to develop new nurseries and to re-equip old ones—many of these nurseries produce flowers. Development projects have been undertaken at an artificially reduced cost, projects which perhaps would not have been considered worthwhile under normal circumstances. However these things are viewed, both lead in the long run to higher and higher production for reasons which have nothing to do with clear demands from the market, although

the market is often blamed for not being able to absorb the extra production. The consumer is accused of not buying extra produce which he or she made no obvious signs of wanting in the first place. Whether the consumer can be persuaded to continue to buy this extra produce will be dealt with elsewhere.

Florists are faced with a similar situation of rising direct and overhead costs, although their reactions to them are rather different. Florists are free to run their businesses in the most appropriate way for their particular circumstances and for most the choice is between increasing the quantity sold at lower prices or increasing takings on much the same quantity of actual flowers by selling more services. Despite its difficulties this latter is seen by them as the more profitable end of the market and they concentrate upon it. Estimates of mark-ups from wholesale to retail levels are notoriously difficult to make since most traders do a certain amount of evening out to keep a fairly steady selling price. Mark-ups quoted to us varied from between 22½ per cent (a figure most unlikely to be used in practice) in a low cost high turnover establishment, to "two or three times" (which was almost certainly an underestimate in some cases) in a large number of specialist shops. The figure for a mark-up can mean little or nothing, however, since the whole area of charges for additional greenery, arranging, delivery and so on is open to manipulation.

This question of mark-ups is one of the commonest points of conflict between producers and retailers. Producers hope to make more money by selling more flowers at much the same price and florists hope to make more money by selling more artistic services along with much the same quantity of flowers. The majority of florists feel that there is no money to be made in establishing and staffing a shop just to sell bunches of flowers.

Many growers, however, feel that the kind of shop needed is one which will sell their flowers at a low mark-up and in large quantities. Unfortunately, although there are some successful examples, it does not seem to be the potential growth point that many would wish. Certainly few florists are changing over to it, but more significantly still, few new traders see it as a promising line of business. The possible reasons for this will be discussed later. It is also significant that few growers have taken the opportunity to open this kind of "flower bar", and most prefer to rely on the main channels of distribution and to experiment with roadside stalls, local sales or to spread the risks of a bigger investment on the broader basis of a garden centre.

Although the main uses of floristry (weddings, funerals, etc.) continue regardless of season, the rest of the market for flowers is necessarily a highly seasonal one. The flowers on sale vary in type and source from one part of the year to another and vary in the quantity available, being most abundant in spring and summer and most scarce in winter. Unfortunately for producers, some uses for bought flowers are out of season in summer, when people are either away from their homes on holiday or have an alternative source of flowers from their own or other people's gardens. Unfortunately for consumers on the other hand, several festivals, in which flowers play a considerable part, occur in the periods when supplies are shorter and prices are higher. For some reason not yet clear, high prices at Christmas cause little or no comment. Easter, Whitsun and Mothering Sunday (now commercially known as Mother's Day) are a different story. The press carries stories of exorbitant prices, and many consumers retailed stories of high prices being charged for indifferent quality. When pressed, however, most admitted that their local florist had cheap bunches (2/6) on sale to children only, for Mothering Sunday, and that they themselves had not actually bought any flowers.

The failure to display prices, although not so widespread as is commonly supposed, still leads to unnecessary suspicions being aroused in consumers' minds. If no price is quoted they suspect the worst. Many of the comments in this section seem trifling but concern points commonly found in near stagnant sectors of the trade. Under normally competitive conditions such simple appeals to the public as clear unambiguous pricing labels would soon be commonly used.

The evidence suggests that in the long run the situation is the normal one for most agricultural products in that producers and perhaps to a lesser extent traders feel that prices are too low and that consumers feel they are too high. There is an added point in this case, that many potential consumers appear not to have given the matter a thought either way; this is perhaps the most important aspect.

Chapter IV

INTERNATIONAL COMPARISON OF SUPPLIES AND CONSUMPTION PATTERNS

A good deal of information has been published about the production, import and export trade and apparent consumption of cut flowers and pot plants in various European countries. The co-ordinating bodies for this work are the International Association of Horticultural Producers*, and the Technical University at Hannover. The Produktschap voor Siergewassen (Commodity Board for Ornamentals) in the Hague provides secretarial facilities. Seventeen annual reports have been published by the A.I.P.H., and this body is to be congratulated on the pioneer work it has done in producing some comparative figures about the European market. All else apart, to use the figures in this way can reveal their individual weaknesses and highlight the points at which improvements can be made in the methods of basic data collection.

The Statistics

It is always necessary to recommend caution in the use of published statistics until a great deal is known about their origin and collection, and although A.I.P.H. makes a series of detailed reservations, these are rarely quoted by subsequent users of the figures. These points need to be made.

(a) The basic statistics provide details of the areas and production of crops in various countries, trends in the supplies and prices obtained for the major crops in some of the major markets, trends in external trade, and some estimated values of flowers and pot plants available for consumption in each country.

(b) The figures are supplied by the various Governments, and the Statistics Committee of A.I.P.H. checks them for obvious inaccuracies and inconsistencies. They query anything that looks at all odd—but of course they may or may not be able to get a better figure to go in its place.

* The initials commonly used (A.I.P.H.) are of the French form (Association Internationale des Producteurs de l'Horticulture.)

(c) It is easier for some countries than for others to provide accurate information. Some countries have only very sketchy methods of sampling production areas, and even then perhaps only do so every five years or so. The French for instance, point out that "the diversity of production makes the collection of reliable statistics very difficult". In addition, the temperaments of growers vary from one country to another and with this goes varying attitudes to official requests for information.

(d) The figures provided by the United Kingdom Ministry of Agriculture, Fisheries and Food are likely to be among the most accurate in the group, since they are based on a very careful and frequent census of production areas, the methods of collection have been steadily improved over a long period, and it is a well established tradition for growers to provide this information. There may even be a tendency for the figures to be on the low side since the Ministry eliminate any figures of obviously doubtful accuracy.

(e) There is room for discrepancy in the precise categories of production which are included under cut flowers and pot plants. Areas of glasshouses down to cuttings production may be inadvertently included in some instances and fringe categories, such as "branches of flowering shrubs for forcing", which are important in some countries, may be unimportant and totally excluded in others.

(f) The quoted values of production in each country are estimates based on the areas of production and notional values of outputs for each crop or group of crops. These figures are put forward only as estimates. Some countries, for example Netherlands, are in a position to make a fair check on these estimates since a large proportion of the trade passes through a few auction markets where values can be recorded. In countries where local sales are important and with more flexible wholesale marketing systems, no such checks are possible.

(g) The figures quoted for imports and exports are recorded figures, not estimates. External trade is accurately documented both by the importing and exporting countries and the figures for quantity and value are therefore reliable, at least as values at port of entry, although some addition may be needed to bring them up to wholesale market values.

(h) One minor part of the A.I.P.H. reports (but a major focus of public attention) is the working up of these figures to give an estimated value of flowers and pot plants available for consumption. Since different categories of flowers cannot be added together except

on the basis of money values as the only common denominator, an estimate has to be made of the mark-up made in the trade—and this is inevitably a very arbitrary figure, and includes not only a mark-up on the sales of flowers and plants as such but also contains a large element for services sold as well. It is impossible to distinguish the two. These final estimates contain all the earlier errors, each of which has been compounded in the making of subsequent estimates, and when divided by the total population give a rough league table of levels of consumption—and no more.

The consumption (as estimated by this method) of cut flowers and pot plants in some Western countries in 1968 according to the A.I.P.H. report is given in Table 8. The figures are in millions of Swiss francs.

The comments in paragraphs (a) to (h) above are in general terms and perhaps two examples of particular errors will serve to make the point further:—

(1) The Danish figure looks quite astonishing. It is arrived at by taking the value of the output of all flowers and pot plants produced in Denmark, adding in the imports of all flowers and pot plants and deducting the value of exports of cut flowers only (see footnote to Table 8) and dividing the remainder by the population of Denmark. However, the Danes are quite large exporters of finished pot plants to Germany and Sweden, of part grown pot plants, and of chrysanthemum and carnation cuttings to a large number of countries: these, and no doubt some wastage too, have all been included in home consumption. The figures may well also include the production of asparagus fern, which is an important crop on Fyn and Jutland, and a large proportion of which is also exported. While this is probably permissible it is nevertheless a unique feature of the Danish trade.

(2) The figures for the United Kingdom appear to exclude the Channel Islands production from both imports and home production. Table 9 gives some statistical evidence for this suggestion. Unfortunately A.I.P.H. has only had access to sufficient material to calculate consumption per head for the United Kingdom for the years 1962, 1963 and 1966.* In addition, although we have included the same categories of cut flowers and pot plants throughout our calculations, in only one year (1966) do the basic figures correspond with those used by A.I.P.H. With this exception, all other figures understate the position by up to 13 per cent.

* (Figures published in later editions in 1968, 1969 and 1970 have a footnote indicating that they are the 1966 figures. The fact that they are all slightly different is presumably due to later corrections and to the use of different exchange rates in the calculations.

TABLE 8

The Values of the Consumption of Cut Flowers and Pot Plants in some West European Countries 1968

	Units	Belgium Luxembourg	West Germany	France	Italy	Netherlands	Denmark	Norway	United Kingdom
Value of production	Mill. sfr.	176.4	1,180.7[5]	507.7[5]	626.2	459.0	188.9	91.8	257.3[5]
Exports (customs value)	,,	64.8[3]	7.2	28.1	142.1	299.1	4.8[4]	0.0	—
Exports (producer price)	,,	51.8[3]	5.8	22.5	119.4	239.3	3.8	0.0	—
Production-Exports (producer price)	,,	124.6	1,174.9	485.2	506.8	219.7	185.1	91.8	257.3
(at consumption price)	,,	208.1	1,962.1	970.4	846.4	366.9	309.1	153.3	514.6
Imports (customs value)	,,	8.9[4]	346.2	48.6	7.0	15.6	0.5	6.7	19.7
Imports (price at the consumption stage)	,,	15.6[4]	519.3	97.2	14.0	27.3	0.9	11.7	35.5
Supply	,,	223.7	2,481.4	1,067.6	860.4	394.2	310.0	165.0	550.1
National income	Mrd. sfr.	67.0	545.5	379.1	291.1	80.7	38.3	27.7	328.3
Supply as percentage of the national income	%	0.30	0.45	0.28	0.30	0.49	0.81	0.60	0.17
Population	1,000	9,619	60,165	50,320	52,750	12,743	4,870	3,819	55,283
Consumption per head[2]	sfr.	23.26	41.24	21.21	16.31	30.93	63.66	43.21	9.95

1. The Method of calculation was taken over from W. Busch and H. Storck: Der Gartenbau in der Wirtschaft Westeuropas, Bd.I.Aachen 1958.
2. Conversion on parity rates.
3. Belgium and Luxembourg.
4. Cut flowers only.
5. 1966.

TABLE 9

Comparison of data provided by M.A.F.F. and those used by A.I.P.H.

Estimated Values of Cut Flowers and Pot Plants for Sale in United Kingdom
(Converted to £ millions)

	1962	1963	1966
1. *Data provided by Ministry of Agriculture*			
Home Produced	21.4	22.6	24.0
Plus Channel Isles production ...	2.7	3.3	4.1
Imports	1.2	1.0	1.2
TOTAL	25.3	26.9	29.3
2. *Data used by A.I.P.H.*			
Home Produced	20.0	19.3	24.0
Imports	1.2	1.0	1.2
TOTAL	22.2	20.3	25.2

Inferences. Thus the position of the United Kingdom has been understated both by inaccuracies in the methods used and perhaps by the slightly pessimistic nature of the figures themselves. Corrections on the first point alone would bring the 1968 figure to 12.8 sw. frs. per head. The figures for consumption per head for some of the other countries may well be optimistic, and if this is taken into account the United Kingdom position becomes relatively better. A further, though subjective point, is that although official rates of exchange are supposed to reflect the true purchasing power of individual currencies there is little doubt that for many classes of goods prices are lower in real terms in United Kingdom than in most other European countries. As far as flowers are concerned, we have already pointed out that the general run of flowers is sometimes cheaper in United Kingdom, and this may well be reflected in these A.I.P.H. figures. In other words, the actual numbers of flowers and plants obtained for a given outlay may be higher in the United Kingdom than in most other countries. Whether or not this is regarded as a matter for satisfaction or even small comfort, depends on whether the industry is most concerned about how many flowers consumers use, or how much money they spend.

Again, a number of the traders to whom we spoke have considerable experience in the European flower trades and several put it to us as a fact that the level of wastage in the United Kingdom was lower than

TABLE 10

Trends in the Values of Cut Flowers and Pot Plants for Sale in Various European Countries

1. *Approximate year to year changes in value (as percentage of previous year)*

	West Germany	Belgium/ Luxembourg	France	Italy	Netherlands	Denmark	United Kingdom
1961			BASE YEAR				
1962	—7	+8	—	+6	+9	—	—3
1963	+3	+1	av. +11.5	+24	+22	—	+6
1964	av. +27	av. +9.5		av. +5	+23	—	+5
1965			+19			—	av. +2
1966	+14	av. nil	+19	+6	+2	—	
1967	av. +4		—	+20	+9	+17	+7
1968		—	—	—3	—3	—8	+9
1969							+1
2. *Increase of 1968 value over 1961 (per cent)*	+82	+38	—	+78	+110	+54	+30
3. *Increase of 1968 value over 1966 (per cent)*	8	—	—	15	5	8	16

in many other parts of Europe. The main reason for this is the equable climate that we enjoy by comparison with the often severe winters and hot summers of much of Europe.

It is quite clear to us from observations in the individual countries that the level of consumption in United Kingdom is lower than that in Germany, but it is less clear whether it is very much lower than in Italy or perhaps France. Probably it is much the same. What is of more concern is that a comparison of the rise in level of consumption from one year to another shows the United Kingdom to be progressing somewhat more slowly than several other countries.

Table 10 takes 1961 as a base year and indicates the approximate year to year changes in the estimated values of cut flowers and pot plants available for sale (based on A.I.P.H. material). It also indicates the percentage increase of the 1968 value over that of 1961 and also of 1968 over 1966. The figures for the United Kingdom made available to the A.I.P.H. for these periods are so fragmentary and have become so inaccurate that we have substituted what we know to be more reliable data. Material for the other countries is subject to all the errors mentioned above and so must be used with caution, even to show trends. The rate of growth of the United Kingdom flower market is not very impressive on this basis; and although the last three years have shown a better rate of growth the actual level of sales is obviously still low.

National Income. An attempt has been made in Table 11 to relate the amount of growth in the total value of the market for flowers in each country and the growth in the national income. The figures show, for each country, the increase in the 1966 values over those for 1962.

TABLE 11

Approximate Percentage Increases in National Income and in Expenditure on Flowers. 1966 values over 1962 values

	West Germany	United Kingdom	France	Nether-lands	Italy
Expenditure on Flowers	80	16	70	90	70
National Income	80	18	130	90	115

It is possible to use this information to make a crude assessment of the relationship between an increase in national income and the increase in flower buying. In West Germany and Netherlands a 10 per cent increase in income has apparently (over the years 1962-66) led to a 10 per cent increase in the value of flowers bought. The comparable figure for United Kingdom is 8 per cent, for France 5 per cent and for Italy 6 per cent—although of course the actual rates of growth in the case of the United Kingdom has been low.

Table 12 gives an estimate of the value of flowers available for sale as a percentage of national income and also an estimate of the national income per head.

TABLE 12

National Incomes and Values of Flower Sales in some West European Countries in 1968

(Swiss francs)

	Belgium/ Luxem-bourg	West Germany	France	Italy	Nether-lands	United Kingdom
National Income per Head	7,000	9,090	7,580	5,520	6,330	5,900
Value of Flowers sold as Percentage of National Incomes	0.30	0.45	0.28	0.30	0.49	0.22

Source: Derived from A.I.P.H. Statistics.

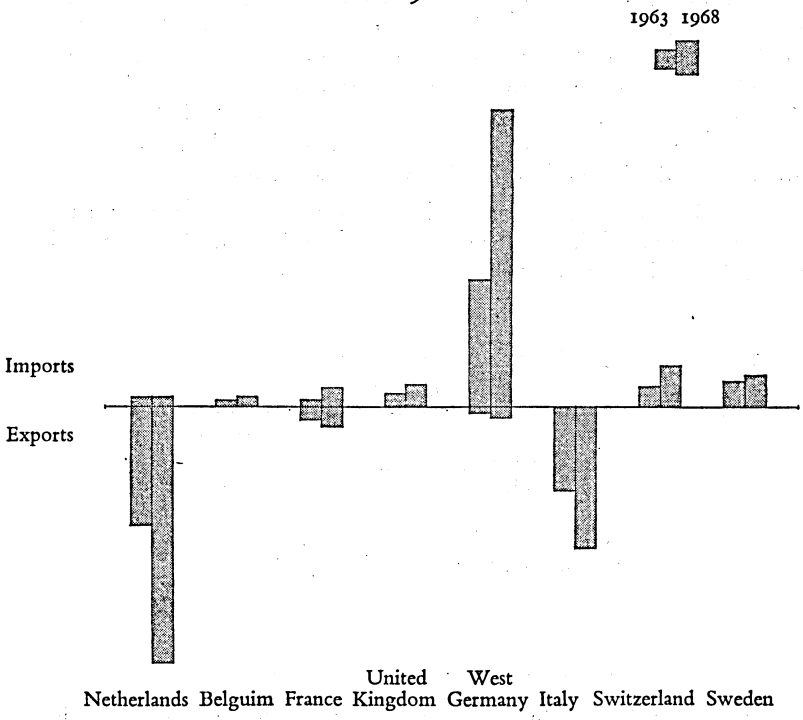
It is known that, in all countries, flower buying either for gifts or for personal satisfaction is only found widely as a regular habit among the higher socio-economic groups, but this is only a part of the picture —a more accurate statement would be that flower buying becomes a regular habit only when certain levels of real income are reached. These levels are likely to vary from country to country because of differences in tastes and habits and of differences in the opportunities to buy flowers, each of which is to some extent a result of past social and economic circumstances.

External Trade. External trade in Europe in 1963 and 1968 is illustrated in Diagram 1, which shows West Germany as the big importer and Netherlands as the big exporter. More noteworthy are the great differences in the rates of growth shown for the individual markets, between these years.

The countries indicated in Diagram 1 together had a small net export surplus of cut flowers in 1963 but by 1968 they were to a very small extent net importers. This generalisation of course conceals differences between the trade in individual species of flowers but much of the change in total can be explained by increased imports by air of "exotic" species of comparatively high value.

DIAGRAM 1

The External Trade in Cut Flowers of some European Countries 1963 *and* 1968



SOME PARTICULAR COMPARISONS WITH OTHER COUNTRIES

Two areas in which similarities and differences both between United Kingdom and the European countries and between the European countries themselves can be looked for are first the physical conditions for production, external trade and distribution, and secondly the prevailing social conditions and attitudes of consumers to flowers and plants and to the various alternatives.

Nothing much can be generalised about the physical conditions for production throughout Europe since climatic conditions vary

greatly and production techniques have been adapted to suit these conditions. At present, areas with climatic advantages in production and locational disadvantages, seem to be just about competitive with the Netherlands and United Kingdom where advanced production techniques and nearness to markets are the strengths. External trade finds the United Kingdom consumer at a slight disadvantage in procurement for some production areas, such as Southern France and Northern Italy, because not only is the distance greater than to (say) the West German market but the extra delays and handlings involved in the short sea crossing add to the costs of transport. This comparative remoteness has led to a slight starvation of the United Kingdom market in terms of these South European imports. Channels of trade do exist between the Mediterranean areas and United Kingdom but they have perhaps not developed so strongly as have the links between the same areas and West Germany. This slight isolation of course gives the United Kingdom producer a degree of protection.

West Germany is a major producing country for flowers and pot plants, and a rough idea of the location of production of ornamentals in E.E.C. is given in Table 13.

TABLE 13

Proportion of E.E.C. Output of Ornamentals Produced in Member Countries

	per cent
West Germany	37
Netherlands	24
Italy	20
France	13
Belgium/Luxembourg ...	6
	100

A social condition which is thought by many to have been a major cause of the favourable attitude to flower and pot plant purchases in most European countries is the high proportion of the population living in flats. This is perhaps true but is only a part of the story. A large middle class is a feature of most West European countries and a high proportion of the middle class flat dwellers have another home of some sort out in the country or by the sea, where they may well have a garden. Allotments and summer gardens also have a rather different place in the social picture too. Many of the less well-off flat dwellers take the opportunity to develop their allotment on the

edge of the city as a pleasure garden complete with chalet, and grow vegetables on the plot too. Flowers and pot plants are bought for the flat not so much because the occupiers are starved of garden space as such but because they are flower conscious (and a visit to some of the bleaker and less interesting parts of North-West Europe demonstrates the need for colour and incident). This interest in flowers and pot plants continues into the group of products known as nursery stock, in other words trees, plants and shrubs; the nominal use per head of this material is twice as high in West Germany as it is in United Kingdom.

West Germany. This country is comparable with United Kingdom in terms of land area, population and degree of industrialisation, but of course it does have unique social circumstances and its increase in prosperity between 1955 and 1970 has been spectacular. The levels of flower production and consumption (the latter is roughly three times per head that of United Kingdom) are high and always have been relatively high. West Germany not only produces 37 per cent of the flowers and pot plants produced in the six E.E.C. countries but is a major importer and consumes 50 per cent of the total E.E.C. production.

There have been spectacular increases in production and consumption of flowers and plants since 1950: consumption per head has gone up 4½ times in money terms and the glasshouse area devoted to flowers and ornamentals has doubled. The situation is summarised in Table 14.

TABLE 14

Sales of Flowers and Ornamentals in West Germany

Year	Retail Value per Head in DM's.
1950	10.
1951	11
1961	24.8
1962	22.72
1963	23.2
1964	35.0
1965	33.28
1966	35.5
1968	41.24

These figures have been collected from a variety of German sources and there is some doubt about the accuracy and comparability of those for the early years.

A recent study* shows that the level of domestic per capita consumption of flowers is closely related to income and is rising, but rising most rapidly in small households with low incomes. In recent years the rate of increase in flower and plant buying by the larger and more well-to-do households has been slackening off appreciably. Apparently the highest income groups have reached a level at which any increases in income do not lead to the buying of very many more flowers and plants, so that future growth in sales are expected to come from the increased affluence of the less well off groups. The report also shows that flower and plant purchases are lowest in June, July and August, and that between 35 and 40 per cent of all expenditure on flowers and plants is on gifts for people who are not members of the household. Of the 60-65 per cent of expenditure which is on flowers for use within the household it is known that a large proportion of this is spent on special occasions such as birthdays, and that the trade is looking for increased sales of weekend flowers and of plants for window boxes.

Social customs in Germany dictate a considerable use of flowers in cemeteries and graveyards; flowers are placed in vases on the grave and replaced at fairly frequent intervals, perhaps weekly. This custom remains today and is apparently a fairly strict social obligation, but may have a long term tendency to decline as families become more mobile and dispersed. Flowers for weddings are a strong part of the trade and show no signs of weakening. Funeral wreaths are to some extent being discontinued but this nevertheless remains a firm trade. It appears to be common to mark anniversaries with gifts of flowers, and guests arriving for an evening function in a private house customarily bring flowers for the hostess, or preferably send them beforehand. However, a small number of blooms tastefully arranged and wrapped are considered quite adequate. Cut flowers are regularly seen in private homes but it is not clear to what extent these are purchases or gifts.

Flowers are also used regularly in hotels and restaurants, often a single stem in a small vase on each table rather than one large display. In foyers of office buildings and in suites, pot plants and green foliage plants are widely used and reasonably well maintained. Such plants are a feature of virtually every individual office as well, but in addition the occupants also usually "club" together to buy cut flowers for the office and then take them home at the end of the week if there is any life left in them. For this reason, Monday is one of the busier days for the florists.

(* Published in Erwerbsgartner, 15th August, 1970.)

Annual flower festivals have become part of the commercial routine in West Germany and are staged by the official horticultural organisations in a different city each year. The planning stage for each festival lasts several years. Although they are designed with publicity in mind, the actual use of flowers is not negligible. In addition, smaller townships vie with one another to put on their own festivals and displays which provide some publicity and also provide a focus for local flower promotion activities.

The main characteristic of West German flower and pot plant production is its small scale and dispersed nature. Although the total areas of cultivation are larger than in United Kingdom, many more producers are involved. A recent study revealed 3,296 growers of flowers and ornamentals on a commercial scale, but it reported another 18,000 producers who grow *some* flowers and ornamentals. As for their dispersion, in 1961 there were flower producers in 6,752 of the "communities", including 14,400 growers of chrysanthemums and 5,000 farms with some tree or shrub nursery enterprise. This small scale and dispersed production is also characteristic of British flower production but it is not nearly so small or so dispersed as in West Germany. On the other hand, German documentation of the smaller holdings may be relatively better than in Britain, since they are a more important part of the production sector, are socially more significant, and the producers are often trading through co-operatives, which enables a better count to be made.

Traditionally flower and plant production has been a local business with a nursery supplying the varied needs of a small district. Often the nursery originally based its business on supplying flowers for use in the local cemetery, and on other religious uses. This also partly explains the large number of producers of chrysanthemums referred to earlier—chrysanthemums are regarded as the flower of the dead. This small scale production is still a very important part of the total supply. In addition to full-time nurserymen, many factory workers have part-time holdings on which they produce flowers, foliage and plants which are mostly marketed locally, although some are sold through local co-operative marketing organisations. This wide dispersion of small production units in itself provides ready sources of supply which in turn lead to high consumption.

Traditionally, flowers have been and still are produced mainly near the areas of consumption, and are therefore widely scattered (while tree and shrub nurseries are located in favourable production areas). Nevertheless, there are distinct differences in the levels of consumption

of cut flowers within West Germany. More flowers are used in North Germany than in South Germany. Some recent estimates of consumption per head were:—

TABLE 15

Consumption of Flowers per head in Different Regions of West Germany

Northern Germany	12.65 D.M. per head on cut flowers
Western Germany	10.30 D.M. per head on cut flowers
Southern Germany	6.20 D.M. per head on cut flowers

The areas of production are larger in the North and West than in the South and probably always have been. There seem to be no reasons why production could not be higher in the South, other than the different type of people in this region, whose tastes and habits probably did not (and still do not) run to flowers to the same extent.

TABLE 16

Proportion of Agricultural Land Used for Flower and Ornamental Production in West Germany

	(hectares per 1,000 hectares)
North Rhine Westphalia	1.23
Saarland	0.62
North Germany	0.46—0.49
Southern Germany	0.18—0.32

New, intensive, large-scale glasshouse production is still being located in the Rhineland and Northern Germany where the markets are biggest, but where in addition local production traditions and skills also exist.

The structure of the marketing and distribution sectors is predictably small-scale and local in character, and retail sales from nurseries form a large if not particularly obvious part of the total. Thirty-two per cent of growers use their own retail shops, which may be on the nursery or located in a nearby town. Twenty-seven per cent of growers work in association with a business doing cemetery work and 17 per cent work in association with a firm specialising in landscape work. Thus 76 per cent of growers sell their flowers and plants primarily through local direct outlets, and this figure is to some extent confirmed by the fact that 58 per cent of growers do some of the preparation of their flowers for the retail market—this presumably means making up sprays, bouquets, wreaths and other arrangements.

The wholesale trade has in the past been largely occupied with obtaining flowers from outside Germany to supplement the local production taking place around the main centres of population. As

the average size of production unit grew and local markets were becoming overloaded with produce, it became clear that such wholesale channels as then existed, were inadequate. Co-operatives were formed at which small lots of produce were assembled into amounts large enough to attract wholesalers who had previously dealt largely in imported goods. In addition there was evidence, at Neuss for example, that as flowers and plants became more freely available new wholesaling businesses were started up. It became commercially worthwhile to spread the produce over a wider area and with more complete cover. Once more ambitious wholesale distribution businesses were set up, whether as developments of previous wholesale businesses or by groups of retailers, it was a fairly obvious next move to begin to look further afield for new sources of supplies. New trade links are currently being forged with producers in the Mediterranean area, North Africa and even more distant areas.

Retail flower shops in urban areas are of a generally high standard, are found well distributed through the individual cities and towns and they have a kind of high class "glamour" usually only found in the flower shops of capital cities. A small proportion of dull shops and kiosks can be found, but usually even the small booths and kiosks in subways and railway stations have an attractive appearance. Flower shops and kiosks are found with remarkable frequency, and almost every railway station in a town of any size at all has at least one kiosk. Cologne station has three, Bonn and Koblenz one fair-sized kiosk each, and Stuttgart has one beautifully laid out shop. Other flower shops are found both in the main shopping streets and also scattered about in residential streets. For example there are about 320 flower shops in Dusseldorf which has a population of about three-quarters of a million and which is a smart financial and business centre on the edge of the Ruhr industrial complex. The outstanding feature of the kiosks and shops in the railway stations is the hours of opening. The main kiosk in Cologne was open at 8.00 a.m. on a Monday morning and appeared to have been open for some time; it was still open at 10.00 p.m. the same evening. In addition, station kiosks are open on Sundays, usually until 2.00 p.m. for the benefit of travellers visiting friends and wishing to take gifts of flowers. The most remarkable aspect of this situation is that staff are prepared to work (for the most part cheerfully) for either long hours or awkward shift-hours.

As in Britain there is a background chorus that it is about time flowers and plants were sold in quantity through the "second channel", *i.e.*, supermarkets and the like. A number of more or less commercially realistic attempts have been made, and public discussion continues

as to whether there is a big future in this kind of trade. One particular series of tests in Cologne has been variously described as "abortive" and as a "useful experiment" by different interest groups. It is clear that experience in flower selling under large store conditions is being built up, but that many problems remain. The main question is to get sufficient supplies of the right flowers and to have them packaged in such a way as to make them easy to handle and to sell. The difficulties which some producers find in dealing with large scale buyers makes them wary of losing their existing trading contracts to meet the stringent requirements of these buyers. However, much of the produce used in the tests has been specially grown for the purpose (much of it in Holland) so that the existing trade has been relatively unaffected. It is also thought that many of the sales made by the supermarkets are to customers who did not intend to buy flowers on that day, and are therefore a net gain to the trade as a whole. One of the main reasons for the relatively slow development of this trade is that it has to work alongside an already well-developed and vigorous retail flower trade.

Most of the great increase in the consumption of flowers has been due to a series of general economic factors (for example, rising prosperity; the tendency to buy and give flowers as evidence of personal prosperity; and certain pressures arising from the supply side of the flower trade) and there is no evidence that it was in any way planned or contrived. There was a very modest advertising budget in 1950 although even this was large for a country that five years previously had been declared destitute. Table 17 shows that the publicity budget has increased astronomically since then, though mainly because of the increase in turnover on which levies have been imposed.

TABLE 17

Expenditure on Flower Publicity in West Germany

1950/51	D.M. 69.000
1955/56	D.M. 337.000
1960/61	D.M. 772.000
1965/66	D.M. 1.513.000
1966/67	D.M. 2.074.000
1967/68	D.M. 1.959.000
1968/69	D.M. 3.206.000
1969/70	D.M. 2.785.000 (estimated)

These budget increases seem, however, to have always followed and not preceded the increases in turnover, and it would display tremendous faith in the powers of modern publicity machinery to suggest

that a comparatively small investment will surely being a reward in greatly increased turnover, which can then in turn be levied to promote still further publicity.*

Funds for publicity were originally collected by the sale of tokens which were affixed to all paper work to do with flower sales or purchases, but this system did not work. Later a levy was raised on all imports, and this was supplemented by subscriptions from wholesale flower markets and auctions. The levy on imports was declared illegal under E.E.C. regulations and was replaced by a levy on German producers (0·1 marks per square metre of glass and 0·075 marks per square metre of open ground) and by voluntary contributions from exporting countries. To date the Netherlands and later Belgium are the only countries which subscribe in this way. Since 1st January, 1970, German flower markets, auctions and marketing co-operatives must pay 3 per cent of their turnover for sales promotion (although most wholesale markets do not know their turnover). In addition to the problems of raising the money, there is a running discussion of how it shall be spent, and this is made difficult by the fact that much actual promotional work is done independently by local or regional organisations, so that confusions of aims often arise. The considerable advertising and promotional activities of the Fleurop organisation based in Berlin are additional to this producer sponsored work.

There may perhaps be grounds for believing that West German tastes, habits and attitudes are unusual and that as a people they may be more amenable to sales promotion techniques for flowers and ornamentals. It may be significant that in the post war period a number of German cities gave priority to the building of the opera house and concert hall ahead of the building of houses. Nevertheless, it is clear that if the German selling techniques have been successful, then the vast national investment in dispersed and small-scale horticulture provided great opportunities for individuals to change their cropping plans to meet the changed market demands. All comparisons founder of course when put against the contention that until Britain experiences a period of economic growth and opportunity and the resulting social optimism of the kind seen in Germany from the mid 1950's to the late 1960's, no one knows how the British public may react in changes in their buying habits.

* A further indication that a high level of flower and plant consumption and expenditure on advertising are only remotely related comes from Norway, which spends only a very small amount on a publicity campaign (which has only just started) but has a claimed per caput consumption higher than that of West Germany.

The Netherlands. While the Netherlands is a major producer of both cut flowers grown under glass and in the open, and for plants and nursery stock, the emphasis is not on home consumption but on exports. About 50 per cent of the flowers and plants by value are exported. Cut flowers, which are of primary importance in this Study, are sold in the main (90 per cent) through the auctions, which provide convenient collecting points at which export buyers can make their purchases. This method of selling by auction has been described in detail on many occasions, but the other institution of some importance, the Produktschap for Ornamentals has not, and is worth a closer look. It is in effect a second-tier administrative body to which all the trade societies and associations belong. It thus has industry-wide representation and responsibilities to encourage trade and to guide and develop the industry as a whole. In this broad objective it is helped by the fact that much of the industry has the common aim of exporting plants at prices and qualities competitive with those from all other sources. The Produktschap has legislative powers, subject to final Government approval, and can raise levies and enforce their collection. The research function is carried out by the individual sectors, and the Produktschap works by proposal and consultation and it must satisfy all interests that the proposals are sound and in the national interest too. The present staff is between 80 and 90, and to many outsiders it appears to be most useful as a collection point for levies and for amassing information.

That the level of consumption of flowers and plants in Holland is high should come as no surprise to anyone. Horticulture as a whole is such an important item in the national economy that no one can be ignorant of its existence for long. As was suggested earlier, export figures are more likely to be accurate than production figures (which are easily overstated and include all the wastage, etc.) and thus the apparent net consumption may appear slightly higher than it really is. Nevertheless, with so much production taking place near the centres of population in West Holland, any supplies not wanted for export can be readily and cheaply put on the consumer market. Indeed, the barrow-boys coming into the Aalsmeer auction at the appointed hour to buy the "seconds", are a sight well-known to visitors to the auction. At the beginning of July, when we visited it, prices were clearly very low and the flowers, although often "seconds", appeared to be excellent value for money.

The retailing facilities in Holland have become closely geared to the seasonal cut flower trade. There are relatively few ordinary florists' shops, but on the other hand, during the summer months

there are large numbers of street traders who sell made-up bunches of roses, carnations and whatever else is available, to passersby at low prices. Here, as elsewhere, the street-traders popularise flowers and perform a market clearing function. Cut flower production has increased considerably in recent years. For many years Dutch growers were not allowed to switch easily from their existing cropping plans to the production of flowers and ornamentals, but the decline in profitability of the staple lines of tomatoes and cucumbers forced a relaxation of the rules. As flowers became more plentiful, there were numbers of applications for licences to operate as street traders selling flowers—these applications were often contested by established retailers. In fact many licences were issued, usually with a proviso to forbid trading within a limited distance of a retail shop. Several times during the visit to the Netherlands we were given the opinion that much of the increased sales of recent years, both in shops and elsewhere, is due to the influence of street traders, who bring flowers to the notice of the general public and make them readily available for purchase.

Cut flowers do not seem to be much-used in public places although they are occasionally used perhaps as a centre-piece in a dining room. Surprisingly one pleasant hotel in The Hague used nothing but artificial flowers and plastic greenery. Pot plants are often used, as in England, for a fairly trouble-free background decoration, but again equally surprisingly the plants were often "leggy" and badly maintained. The most striking use of plants is the widespread use of bedding flowers and shrubs in public places. Very little evidence was seen of flowers being used or indeed offered for use as gifts and bouquets, although they are no doubt available if needed. Flower buying and giving is clearly not the glamorous and slightly ostentatious ritual that it appears to be in West Germany.

Belgium. The position in Belgium was somewhat similar to that in the Netherlands, but with flowers taking a less prominent position, and more emphasis on pot plants. The tastes and customs seemed to follow the general patterns found in Netherlands and West Germany, but spending seemed to be at a lower level and social customs rather less rigorously observed. Exports are again important, accounting for about 30 per cent of total production.

In both Netherlands and Belgium, the flower industry is an important part of the nation's economy along with the rest of agriculture and horticulture. A good deal of official support and encouragement is given but mainly to developing its potential as an exporting activity.

Italy. We did not pay an extended visit to Italy as a part of this Study since the main object was to gather information about consumption rather than about production, which is where Italy's strength lies. The area of production down to flowers is increasing rapidly and extending away from the traditional centre at San Remo. About 20 per cent of the value of production goes for export, and this is made larger than it otherwise might be by the presence of branches of a number of large overseas firms both on the mainland and in Sardinia. The traditional Italian production unit is small scale and independent.

France. Flowers are again used for somewhat similar purposes—gifts, festivals, cemeteries, decorations—but the level of usage is generally only about average for the mainland of Europe, and since the level of uptake is observably high in Paris this leaves the rest of the country with a fairly low level of consumption. A recent survey done in France (and our own observations confirm this view), showed that the proportions of people buying flowers regularly, occasionally or not at all are very similar indeed to those observed by Pickard in the United Kingdom in 1962. A large proportion of the population are disinclined to buy flowers for the home—only 20 per cent of French people are regular buyers of flowers and plants for the house. More than 30 per cent hardly ever buy flowers and the remaining 50 per cent only buy when special occasions arise and presumably do not otherwise buy at all. Of course, these figures for frequency of purchase pay no heed to the levels of expenditure, and these must be fairly lavish if the (somewhat optimistic) estimates of production and imports are to be accounted for. The importance of the special occasions to the flower trade is confirmed by the estimate in the same study that 60-75 per cent of all flower sales are to do with these special occasions. In other words the flowers are bought to satisfy social customs or obligations rather than to satisfy a personal need.

Production of cut flowers is now quite clearly located in a few major areas: 40 per cent are produced in the Midi, 20 per cent in the Paris region and 20 per cent in the Loire Valley. There has been much emphasis in the past on outdoor production and although this is still important, the trend is now to glasshouse production to give improved quality and quantity of output. Along with this trend toward increased scale and intensity of production, new producers who were in many cases previously market gardeners are coming into the production of outdoor flowers.

The flowers in Midi and the Loire Valley and in the smaller, distant production areas are sold in producer-markets mainly to wholesalers and exporters. The facilities in these markets are often

good but apart from a small clock-auction in Nice market, all flowers are taken to the markets by the growers who sell them personally. Subsidised grower-co-operatives have been set up but with very mixed results. Those flowers grown in the Paris region are sold in Rungis market, either by the grower or more unusually by a commission agent. The most expensive florists' shops in Paris are outstanding in their way, but in terms of turnover the more modest flower shops and particularly the street markets are the important outlets for flowers. Self-service was a feature of one or two of the more expensive flower shops visited. It is true throughout France that street markets are a very important outlet for flowers, although florists are relied upon for make-up work.

A number of much publicised supermarket ventures into flower and pot plant sales were visited, particularly in the newly developed areas south of Paris. Displays of pot plants were quite a feature of the stores and much interest was being shown by customers. Selling areas devoted to cut flowers were a depressing sight with unimaginative displays of over-packaged flowers. In one particular instance little or no trade was being done in flowers inside the supermarket but a "traditional" flower seller with a few buckets of carnations outside the supermarket was doing brisk business. A recent study of flower selling in department stores in Paris revealed that most impulse sales were destined to be gifts rather than used in the buyer's home, that it is essential for the store to have personnel trained in the flower business, and that the present costs of flowers are too high for mass sales to be possible.

Exports have been a feature of the French trade for many years (and seem larger than the actual 4·5 per cent) but although the value is going up, the French proportion of the total E.E.C. trade is going down as other countries, particularly Netherlands, increase their share. (The Italians with 19 per cent of their production going abroad are the main producers in the Mediterranean area.) Imports are rising and in 1968 France took 5·5 per cent of all E.E.C. flower and plant imports as against 2 per cent in 1960. Although the trade has become more buoyant in recent years with rising prosperity, the general level of usage of flowers and plants, although higher than in United Kingdom, is about average for the rest of Western Europe.

Denmark. The consumer's attitudes to, and his uses of flowers in Denmark, are rather similar to those in West Germany, with the exception that the use of flowers in cemeteries is of comparatively small importance. In the case of cut flowers the emphasis is on the home market, and exports of cut flowers (although important to individual traders) are a small part of the total. There is much emphasis on social

style and success, and flowers as gifts and in the home play a part in this. In addition the long, dreary and sometimes severe winters have given flowers and plants an added significance as part of the traditional spring and summer scene, although of course year-round production has lessened the reality of this.

Much of the foregoing comment about home consumption applies to pot plants but here there is much more emphasis on the export of flowering pot plants particularly to Sweden and West Germany and of part grown plants to all parts of Europe; this part of the industry looks much more like the Dutch trade. In total the Danish situation is an interesting mixture of the West German emphasis on consumption and the Netherlands emphasis on production for export. The per capita consumption is not so high as the statistics would suggest.

Switzerland. It is ironic that although the A.I.P.H. figures are produced in terms of Swiss francs, no recent figures for Swiss production, imports and consumption have been made available. A figure produced by A.I.P.H. for 1961 put Switzerland at that time in fourth place with a consumption of only just over half the then West German level. This may be unexpected since Swiss flower shops are noted for their high standards and the popular conception is one of a large and wealthy trade. (A series of spot checks in Geneva and Zurich showed that roses and carnations were twice the price that they were in London in the same week.)

Switzerland is a very mixed community, 20 per cent of the population consist of aliens who presumably vary from a small number of wealthy financial refugees to the large number of temporary workers from the south of Italy, Spain and elsewhere. Clearly these people vary in their ability and inclination to buy flowers. The native Swiss, not surprisingly, have in the past had very similar flower buying habits to the German, French and Italians, depending upon which part of the country they came from. These habits are now merging into a "European" style, rather after the German pattern.

The Swiss market is effectively protected in summer by a tariff, and of course particular localities are also well protected by the physical difficulties and high costs of transporting goods over mountains. This latter is the most important influence, and production is inevitably local, the flowers being used in the area in which they are grown. Wholesalers are largely importers, and wholesaling of produce grown *within* the country is at a minimum. A few markets (bourses) exist, to which growers can take their produce and sell it only to retailers or perhaps to wholesalers, but these are not highly developed. There is one in Zurich for example, but there is also a twice weekly

(in season) flower market open to the public which attracts a great deal of attention with great displays of open ground produce as well as of glasshouse flowers and pot plants. The severe winter weather conditions make the home produced flowers a highly seasonal trade, with reduced supplies in winter coming only from specialist growers, supplemented by imports.

The feature of the Swiss trade most talked about by visitors is the importance of the activities of a number of co-operative and quasi co-operative chains of retail stores of supermarket type of which the Migros organisation is the most notable example. As a result of natural and fiscal protection the Swiss flower trade was at one time very underdeveloped, and in 1946 the Migros organisation started to move into it. The trade is said to have started because Migros were able to buy large quantities of flowers in San Remo which "the florists" (more probably the wholesalers) could not (or would not) buy. Being a large organisation Migros had the ability to organise transport with little difficulty, and presumably of course the flowers were bought cheaply too. Their activities have developed until they now have flowers and plants on offer to some extent in 400 of their 450 stores. One hundred stores sell flowers in all varieties all year and provide the services of a florist, another 150 stores sell flowers all the year, but not the whole range, and use self-service, and the other 150 sell flowers only in winter when they can be imported with no tariff and when people have no flowers in their gardens. The levels of turnover in recent years have been:

1968	£5·5 m.
1969	£6·3 m.
1970	£7·3 m (projected)

Flowers and pot plants as a group is one of the largest single parts of the business, and the co-operative is looking for a continuation of this rate of growth. The breakdown of the turnover on flowers, plants and accessories is approximately:—

TABLE 18

An Analysis of Sales of the "Flower" Section of the Migros Organisation

	Per Cent by Value
Cut flowers	45
Flowering pot plants	23
Bowls containing several plants	11
Green pot plants	6
Bulbs (not bulb flowers)	3
Other articles	12
	100

Supplies within Switzerland come from growers in the area in which the flowers and plants will be sold, and all the flowering plants are bought in Switzerland. A hundred growers sell to Migros and 40 grow only for Migros.

Fifty per cent of the flowers come from abroad and these shipments are arranged centrally and consigned direct to area depots. Migros has some production capacity in Spain and produces five million blooms there in the October to June period. The retail trade in Switzerland appears to have been particularly open to this kind of enterprise but nevertheless, the Migros Co-operative has achieved a spectacular rate of growth in flower sales, even though there is evidence that competition is somewhat limited. The big and fully-equipped flower departments in Migros stores were impressive, but the level of merchandising and the quality of flowers and plants in the non-specialist self-service departments was very patchy indeed. Cut flowers in particular are very difficult lines of produce for centralised organisations to handle, and Migros only do what would subjectively appear to be a "good" job where they have set up what is virtually a professional florist's shop.

The more traditional retail outlets have, as a matter of principle, to deprecate the activities of the various groups of co-operatives and supermarkets in the retail flower trade. However, a number of individual traders privately felt that the availability of cut flowers and pot plants in the large number of stores had a beneficial effect on the trade as a whole. Not only did it encourage impulse purchases among those who might otherwise not have bought flowers or plants, but it made all customers aware of flowers, whether they bought them or not. Many traditional retailers do not regard impulse sales of cheap flowers as a large part of their trade anyway, and they also feel that the often better quality of their flowers and the additional services that they themselves provide, gain by comparison with the activities of the supermarkets.

North America. We have not been able to make a thorough appraisal of the flower consumption position in North America but it seems appropriate to make some reference to it. The United Kingdom flower trade (and indeed the European trade) is from time to time compared unfavourably with that in the United States. Much of the apparent strength of the United States trade lies in the widespread use of certain technical facilities and practices which would perhaps appear to be worthwhile adopting into European practice. The most noteworthy techniques are the use of cool storage, and of various devices to prolong the life of the cut flowers. These practices

are inevitably more widespread in United States because of the particularly difficult physical conditions under which the trade takes place. Distances between producers and consumers are often so great that the added life given to flowers by these techniques are used up in the distribution process, although the increasing use of air freight is making this a less serious problem. The extremes of temperature found widely throughout the continent can foreshorten the useful life of a cut flower by several days. There has also been considerable emphasis on establishing basic grading standards which make it possible for traders thousands of miles apart to have at least some common concepts of quality, and of course it gives non-specialist outlets some guide lines for their inexpert staffs to work to.

Until recently most of the impartial research effort has gone into furthering the development of these techniques but there is now evidence of increasing attention being paid to the tastes and preferences of consumers and to the structure and functioning of the market system as a whole. The average level of consumption, if calculated in a manner roughly comparable with the A.I.P.H. statistics, seems to be rather more than that in France and Italy but rather less than that in Western Germany. The nearest estimate of the retail value of flowers, pot plants and the service that goes with them is 1-1½ billion dollars in 1969. This allows a rather generous mark-up on wholesale prices of 2-3 times* and makes the current level of consumption equivalent to about 22-33 Sw. Frs. per head per year, but there is evidence that both perishable goods and service are relatively much more expensive in North America than in Europe. Taking this into account, the actual quantities of flowers used are probably quite modest. Most American reports attribute the present increased volume of sales to population growth and to increases in personal incomes.

Even less evidence is available about the situation in Canada but the overall picture seems to be one of a low and more or less stagnant level of consumption.

Comment

The rapidly increasing volume of international trade not only within Europe but all over the world was a common topic of conversation during all our visits abroad. Increased trade has most often been as a result of what might be called genuine commercial initiative, where individual merchants see opportunities for moving ornamental

* The European statistics were calculated on a mark up of 100% and in some cases less.

plant material from areas where it has become relatively cheap, for a variety of reasons, to areas where it can be sold. The main spurs to change are normally technical developments, often in the transport field, and these are too widely recognised to need labouring here. Other changes may be brought about by previously backward or underdeveloped areas with very favourable climatic conditions being brought into cultivation, often using expatriate capital. In addition the traditional markets of say North-West Europe, are continually becoming richer and more able to absorb increased supplies of both regular and novelty items, both of which are usually shipped on a small scale speculative basis in the first instance.

Superimposed on these commercial forces are the activities of governmental and quasi-governmental bodies. Up to the Second World War, there were few financial barriers to international trade, but there has always been a certain amount of official restriction of trade masquerading as plant health regulations. These latter are usually genuine attempts to restrict the spread of real pests and diseases but they are often given an unnecessarily zealous interpretation. Since the war a number of other barriers have developed.* Tariffs and quota restrictions have become common means of giving some protection to producers in individual countries and in recent years financial aid to producers and exporters has become an increasingly important factor. Particular countries use their own mixture of aids which include capital grants or low cost capital loans for the construction of new production units or the re-equipping of old ones, working capital at low rates of interest or working capital goods (*e.g.*, fuel) at preferential rates, subsidised transport rates for exports, and subsidised market studies and promotional campaigns in particular new markets. In the E.E.C. there is much emphasis on the removal of tariff barriers and the stimulation of free trade but on the other hand aid often comes in the form of assistance to "problem areas" and in African countries as parts of schemes to diversify the agricultural economy, or to produce cash crops and thereby prevent otherwise unused land from being confiscated. Many countries, particularly those in Eastern Europe appear to use such subsidised exports as a means of buying foreign exchange. In many cases the country has a legitimate commercial advantage (*e.g.*, climate) to exploit but does so in a non-commercial manner. Sometimes the quality of produce is technically poor and prices received would not, under normal circumstances, call forward further sendings.

* Dr. Castela in his book "La Fleur en Europe Occidentale" Chapter 3, deals with this matter in some detail.

Another significant aspect of this kind of trade is that the build-up is often extremely rapid and precipitates a minor crisis in the market concerned. Under normal conditions some producers and merchants assess a line of production or a potential market more quickly and more favourably than do others and make different decisions about its prospects, so that it may take a number of years for a particular line of trade to become established. Throughout the whole market there is a process of continuous but relatively slow change and other producers and traders have time to gradually adjust to the new conditions. Where a line of development has both official blessing and financial support, many more producers and traders are willing to come in quickly, since the normal risk element is minimised.

Chapter V

THE UNITED KINGDOM MARKET—ASSESSMENT AND OUTLOOK

The most clear impression formed during the Study has been the apparent conflict between the fairly widespread feeling that the United Kingdom industry is in poor shape and that something must be done quickly, and those individuals who are making often considerable successes of their businesses. Paradoxically, many of the minority who want something done urgently seem to be individually very successful, and the majority of successful traders are slightly pessimistic about how useful the "something" would be to their own businesses. The low level of consumption of cut flowers and pot plants was the issue presented to us as being the prime concern of the industry, but our studies have shown that this is a euphemistic way of saying that levels of profitability are too low. Turnover and profitability, however, are not closely related. Profits for the individual firm are found not at any particular level of turnover but depend on how appropriately it is equipped to handle the turnover that it has, in relation to how well or badly equipped are the competing firms. Even in a static market it is possible for the more efficient firms to grow at the expense of the less efficient and we have been given no evidence that at present no profits at all are being made in the flower trades. However, profits are altogether easier to make in an expanding market and the ideal situation is found where the total market is growing sufficiently fast for quite mediocre firms to make reasonable profits.

In the remainder of this Report we propose to address ourselves to three main, inter-related questions and to some possible solutions:

(a) Are the problems of the flower industry to an important extent consequences of defective organisation and performance in flower trading?

(b) Or are they mainly to be ascribed to circumstances external to the industry itself?

(c) If one of these external circumstances is an insufficient appreciation of flowers on the part of existing and potential customers, can this be successfully ameliorated by organised schemes of sales promotion?

The Product. There is frequently said to be room for improvement in flower quality, but investigation shows this to be often a meaningless confusion of technical and economic criteria. No matter how indifferent a bloom may appear to the technical purist, if a consumer prefers it to all others for a given use then it is of an acceptable quality. The trade as a whole may, of course, have its own concept of a minimum acceptable quality in keeping with its ideas of the status and tone of the flower trade and of the minimum value of article which it can afford to handle, but that is another matter. Some traders complained of poor grading by growers in general but this was not common. Usually they could identify the names of producers whose goods they liked and one or two to be avoided. If buyers have too few boxes to choose from to be able to avoid the bad ones, this suggests that too few flowers are available. Few florists could sustain the claim that they had too few flowers to choose from (although a few in isolated areas especially in South-East England did) and most eventually conceded that they could get what they wanted. This, of course, still calls for skill and discrimination in choosing which flowers to buy.

Few consumers could produce any convincing evidence of the poor quality of the flowers they had bought. Usually they meant that the blooms faded quickly but too often there was room for suspicion that they had bought the cheapest blooms in the shop (cheap probably because they were old stock) and expected them to last like freshly cut and more expensive blooms. The aspect of quality uppermost in the minds of consumers is freshness and this, of course, is also closely linked with handling and distribution. Flowers seem to appeal partly as one of the few remaining unprocessed, unstandardised products, but the more practical aspect of freshness is how much useful life the flowers have left when they are bought. There is not much danger of flowers losing their appeal on the first count because they are a long way from becoming identical mass-production articles, although some pot plants are much nearer to that stage. However, cut flowers are always in danger of losing their appeal because the average useful life could easily become shorter and shorter by the use of production and marketing techniques for short term gains. The misuse of cold storage is a case in point.

There are two main remedies of which the trades are aware although not always doing very much about. First, cut flowers need to be sold as quickly as possible—but of course this is easier said than done. Although flowers are extremely perishable many florists only replenish their stock of some items twice a week and do so by buying flowers which may already have spent two days in the pipeline.

Smaller, more frequent deliveries, however desirable, may well be completely uneconomic. Increased sales would perhaps help to keep stock turning over more quickly. In any event each and every trader has a moral obligation to not be tempted to pass off as fresh, some stock that has been held for several days. We bought occasional test bunches particularly of carnations and roses, and got extremely variable results. One bunch of fairly expensive carnations scarcely managed to last overnight before collapsing. Many factors are involved in the keeping quality of a flower but we felt that length of time spent in the distribution process was a most important one. Some florists do lower prices as stock deteriorates, and make every effort not to hoodwink the customer, but clearly many do not.

The other line of approach is in some ways unrealistic under present conditions and that is to place the flowers under special conditions which will slow down the rate of deterioration. Several features of the physiology of cut flowers, however, make this difficult to do in practice and also expensive. A great deal is known by scientists of the multitude of factors which contribute to flower senescence and consequently of various methods of slowing the process, but most factors only make an individually small contribution and in addition need to be maintained throughout the whole distribution time and thereafter if possible. For example, it is widely known that cut flowers can be kept under cool storage conditions for a longer time than under open air conditions, but that once they are removed, they go rotten at a sometimes alarming speed. Certain additives to the water are known to be beneficial but are only really effective if the flowers are kept continuously in the solution. In addition most treatments, either chemical or thermal, are highly specific to each type of flower; what may prolong the life of a rose may well have no effect at all on a carnation. So, unless used with great care, these techniques may make little contribution to the life of the flower and if misused can positively curtail it. Many of the techniques would require a degree of integration of the production, distribution and retailing processes, as yet unknown in the flower trade, but familiar in (say) the frozen food industry. At present no trader has the incentive to invest the considerable amount of capital in an appropriate handling system. But we are convinced that a great deal could be done to prolong flower life both by growers, traders and consumers if only they were more aware of the appropriate scientific work which has been so carefully done. We were heartened to see one or two progressive growers experimenting with new techniques of cutting flowers, keeping manhandling at a minimum and packing to minimise damage, but these techniques have virtually to be worked out from first principles for each type of flower by the

grower himself. Market traders who have a special flower section protected from the elements and florists with air conditioning or at least some means of regulating temperature and humidity seem to be moving in the right direction, but progress is slow. One conclusion that must be drawn, is that if these techniques do prove to have value to the trader and give greater long-run satisfaction to the consumer, the increased cost of operations must mean that certain qualities and types of flowers from certain outlets are going to have to become a distinctive and more expensive trade, open only to the really big operators. This may be one way in which the professional florist and flower seller can give a demonstrably different class of goods and service from the equally valuable ones given by the sellers of cheaper flowers.

Packaging. Bad packaging leading to damaged blooms and broken stems was occasionally raised as an issue but not, of course, by the consumer. This is an aspect of concern to wholesalers and retailers. A wide range of types of packaging is available at a range of costs and growers are at liberty to choose the one which they feel will get their product through the market system with an acceptable level of damage and consequent reduction in value. Flowers sold locally are often simply carried around in buckets, or rolled in paper or loosely packed in returnable boxes. While this may not look very impressive, it is usually a perfectly satisfactory and economical method of handling, and one of the attractions of local sales to a grower. The packing materials used for flowers sent to more distant markets often seemed to us to be unnecessarily expensive in terms of the number of flowers that they hold and the "loose" packing to often result in a high rate of damage in transit. A box, only slightly larger, could hold several times as many blooms (depending on the type of flower and its size) with substantial savings on materials and transport, but this greater density of packing is only slowly becoming established practice. However, a number of less obvious factors are involved. A prime requirement among buyers is that they should either be able to see what they are buying (which is difficult when the flowers are bulk packed, whether or not the box has a window) or to have sufficient confidence in the grower's name on the box to know within quite small limits what they will find in it. While buyers continue to find inconsistencies in the quality of blooms or weak stems within a given pack they will continue to wish to inspect the blooms. Imported blooms are of necessity carefully graded, high value produce, and bulk packs of imported flowers have been accepted in the market for many years. British growers with a sufficiently good reputation in a market or with long established good trading relationships are the ones who are now able to move over to the more economical

box. Those who in the past have paid less attention to the consistency of their packs are finding it an uphill struggle to persuade the markets to accept their produce in bulk packs.

Although the lower cost of the box is one of the more obvious economies, growers who are now packing in this way find that greater economies come from the new opportunities to streamline the picking practices and to reduce the amount of handling on the nursery. (The flowers are selected carefully during cutting and are almost immediately bulked-up by putting, say, 20 in a sleeve. These sleeves lend themselves to mechanical handling on overhead conveyors and to speedy packing into the outer boxes.)

Flowers of different qualities and costs of production are needed in the trade and no arbitrarily chosen box can fulfil all needs. The retail trade discriminates between boxes and their contents in an infinite number of ways, and if well-packed produce is short then the price will be correspondingly higher or alternatively the badly packed produce will be marked down. Again if bad packing really is a problem it suggests that there is either a real shortage of flowers or that buyers are not doing their job properly. The evidence we collected suggests that there is the normal range of experience. Some producers are experimenting with more expensive boxes, some with more economical methods of handling and packaging, and the rest were using the available range of boxes good, bad or indifferent as the case may be.

The Traders. Closely linked to the consumers' attitudes to flowers as such are their attitudes to the places where they buy flowers and the people they meet there, which are the only parts of the trade which many consumers see. We have found much evidence that there is a poor attitude among many consumers to bought flowers and particularly to some flower sellers. Whether or not all the attitudes are based on fact and experience is another matter, but the sales resistance does exist. We have implied in previous sections that in the United Kingdom we have fewer and less obligatory occasions on which flowers are used than in many parts of Europe. In fact many consumers to whom we spoke knew of all sorts of occasions when they really ought to buy flowers but the trade had presented them with an array of ready made excuses for not buying. Most of these are based on hearsay or on one unfortunate experience but the excuse is seized upon with zest. The fact that so many consumers choose to regard flowers as poor value for money or as a poor way of demonstrating their own social pride and success is lamentable, but

undeniable. Flowers bought on impulse from a grower, greengrocer, or stallholder for the consumer's own enjoyment come in for much less adverse comment.

A major development at the present time is the increasing importance of the distributing wholesaler. Many of the firms engaged in distribution are old established firms but quite a number which we encountered were relative newcomers or new offshoots of old firms. This was one of the few points in the trade at which we found any (even subjective) evidence of new firms coming into the trade faster than the rate at which old ones were leaving. Some flowers are also handled by mixed wholesalers, which in their turn vary from one-man businesses to the very large international fruit distributors. These firms often operate from premises away from the high rents of town centres and near to road and rail links. The need to make the most economical use of town, market and warehouse space and of transport facilities has encouraged distributors to seek regular direct links with producers for the main lines of flowers and pot plants. The distributing wholesaler for his part needs the reassurance of regular supplies of suitable produce. The service provided to the retailer is primarily that with little effort on his part flowers and plants are delivered to the door. Some of the effects of this trend are seen in the increasing number of greengrocers and non-specialist shops who handle a few flowers (particularly in the spring bulb flower season) and a few pot plants, because these are delivered.

Not all of this direct trade is, of course, new trade. Much of it is existing business siphoned off from other channels of supply and it is mainly at the expense of the wholesale markets. The impact has varied from one market to another, and in some cases the distributing wholesalers are operating from the wholesale market anyway. Much of the impetus behind the development of this "direct" trading has come from the increased importance of pot plants, both green and flowering pot plants. These are bulky and heavy in relation to their value and it is uneconomic to send more to the London wholesale markets than can be absorbed in London. Many of the present pot plant distributors are firms more or less closely allied to a plant producing firm, and a certain amount of "branding" of pot plants has been possible through to the consumer level. Some distributors carry only pot plants produced on their own nursery but the majority carry a mixture of pot plants and cut flowers obtained from a variety of sources. The development of distribution firms is in line with developments in other trades where retailers spend most of their time in their shops or in providing a retail delivery service, and supplies are delivered by

specialist wholesalers, rather than the retailer collecting them himself. Apart from an obvious talent for buying plants, the distributor, if he is to develop on any scale, must have a talent for running and controlling a transport fleet—a specialised technology in its own right.

The sector that has most felt the effects of the growth of direct trading is Covent Garden Market itself. Market men there have felt the impact both of the change over from trading with mainly retailers to trading with an increasing number of distributors, but also have noticed that produce previously consigned to Covent Garden is now being sent direct to the Provinces. The market turnover has nevertheless slowly increased as the market carries a higher proportion of the more unusual and expensive lines of produce, and also because it is still the key point to which many imported high value flowers are sent.

The decline in the market is only a relative one but it has had a disproportionate impact on morale. Even the most well-based market firms are no more than guardedly optimistic and many of the smaller firms seem to regard it as "only a matter of time". This seemed to us to be unnecessarily pessimistic on the whole. We have suggested that there are a number of misconceptions about the operations of the wholesale markets, although these were found somewhat patchily. The majority of the users of the markets have a clear idea of who is serving whom and of how to get the best out of the system. This contrasts with the reflections of after dinner speakers who have long cast the wholesale markets and especially Covent Garden as a rather shabby, out of date operation, rapidly declining in influence. But in our view it is too easy to write off the commercial expertise of most of those concerned or suppose that Covent Garden will not develop a new and perhaps quite different role.*

Few constructive alternatives to the wholesale market system have been offered to us by critics and those that we have been given have not been carefully worked out. Most of them have been alternatives that operate under entirely different conditions and are designed to serve very different purposes from the United Kingdom market. Several wholesale markets in Europe to which we were recommended turned out to be held in magnificent new premises but sales were made by a commercially primitive system—Nice was an example.

* By 1973 Covent Garden market will have moved to a new site at Nine Elms. It is too soon to speculate how the wholesale flower trade will develop there, but is clear that handling and trading facilities will be much superior, and that rents will be higher.

Producer markets (with and without clock auction systems) were visited, but suggestions that they be adopted in Britain were not always based on a sufficient appreciation of their role. In the field of highly perishable produce, the virtues of producer markets are either that they provide a good assembly point for produce destined for export, or that they are so located as to be able to handle material of such a wide range and continuity of supply that buyers from final markets find it worth their while to travel and attend. In the case of flowers, a location for such a market in the Chichester area would be just about conceivable, but we do not think that producer markets would produce such benefits, in comparison with selling through ordinary wholesale markets, as would justify stimulation by public policy and money.

Finally, we must comment on the passivity of the wholesale traders themselves, who with few exceptions have missed the opportunity to explain what services they have to offer and justify their system. In the main it is much better, more efficient and more economical than the market operators themselves have claimed it to be.

Expansion of Outlets

As we have already seen, some of the problems of the flower industry have arisen from a small but consistent increase in supplies occurring before the corresponding demand showed itself. Within moderation this may be no bad thing, but since 1964 home-grown supplies may have increased by as much as 15 per cent, *i.e.*, about 3 per cent per annum, whereas there can be no reasonable expectation at present of demand increasing by much more than $1\frac{1}{2}$-2 per cent per annum at best. Moreover, there is no sign that the capacity of the flower trade has risen by even as much as the lower percentage. It is therefore part of the argument of the growing side of the industry that the retailing outlets ought to have increased, but at best they have remained constant.

Some of the facts on this are clear. Only a few outlets can exist in any locality, because the total size of the trade is not and cannot be large enough to support as many flower shops as (say) grocers or chemists, and this is bound to mean that many potential customers never go near these outlets simply because they are bound to be scattered. Similarly, many villages and small towns have no flower seller at all because there is not enough trade to support one.

If at this stage of the argument we postulate that more outlets are needed, both to support the existing volume of trade, and better still, to generate more trade supply through their existence, what kind of

expansion of outlets is possible? So far as concerns the professional florists, an expansion of their activities in the direction of more artistry devoted to the same quality of flowers, would hardly qualify as an expansion of outlets, even if the florists were to expand their premises and employ more staff. Unfortunately there are few signs of professional florists wanting to sell more flowers as such. If they are in a position to put more capital into their businesses, to use it for selling more flowers might well be one of the less remunerative uses for the money. Similarly many florists will regard the simple selling of flowers as a waste of their skills.

What then are the possibilities for establishing new flower shops, intermediate in character between professional florists on the one hand and greengrocers and stallholders on the other? Since there is no way of organising this nationally in a freely trading industry, individuals must recognise their own local opportunities, and by and large these cannot be assessed as particularly bright. In this country, as in many others, the general trend in the numbers of independent shopkeepers is downward. In some lines of business (though not to any extent in flower selling) one of the main operative causes has been the competition of chain stores and supermarkets. But in addition, and this also covers flower selling, retail shopkeeping has become a less attractive type of business for the small man than it used to be, because of congestion in the High Streets, higher rents for good positions, higher rates, higher wages, selective employment taxes and the like. It seems to follow, even though we need not be so pessimistic as to forecast that the day of the independent shopkeeper is over, that there is still a declining degree of incentive for shopkeepers to set up in lines of business that are either speculative or low profit earners or both. Flower selling unfortunately falls too often into both categories. Many of the existing operators have an interest in or love of flowers that in their eyes offsets these disadvantages, but unless any newcomer has a strong attraction to flowers as such, and ready sources of supplies, he is likely to look for more rewarding outlets for his money and skills.

In the light of this discussion, it would seem that the best prospects lie in these directions.

First, a more concentrated attack on the institutional trade, by professional florists, flower sellers, organised growers or anyone else who may be interested. We have indicated some signs of growth in this sector of demand and the prospects for expansion must be at least relatively good.

Second, we feel that the scope for greengrocers to sell flowers is not yet exhausted. If those who sell a few lines would sell more, and a good many be prepared to start by selling some, the effect in generating new demand could in the aggregate be substantial, since there are some 40,000 outlets of this type already in existence, most of whose overheads are already borne by their fruit and their vegetables. But we see no great prospects of developments in the greengrocery sector except as an outcome of extended and regular arrangements for delivery to the greengrocers' shops. This will not happen to any extent for the sake of flowers alone, but flowers could be made into indirect beneficiaries of delivery systems developed chiefly for vegetables and bananas. (In any case, increased sales through greengrocers are more likely to be of pot plants than of cut flowers.)

One type of development which has been much canvassed is that of persuading supermarkets in this country to take up flowers. But the amount of trade in flowers they will do depends on what else they have to sell at the time and on how well producers and their agents are able to convince the proprietors of these stores that flowers and plants are likely to be a profitable line giving rise to the minimum of day-to-day snags. Obviously they are needing a good deal of conviction because the actual quantities of cut flowers being sold by supermarkets and chain stores remains small, although pot plants, which are more robust and have a longer shelf life, are now being sold in somewhat greater quantities.

The third possibility is difficult to explain in plain language since there is virtually no model of it in existence. In essence it would be a system of retailing based on a concept of handling flowers as a commodity for impulse purchase, as is common on the Continent. Probably the best scheme of organisation would be that of a central buying agency procuring flowers and delivering them to a number of shops or kiosks which would conform to a common sales and promotional policy. This notion can perhaps be illustrated by the case of the voluntary chain in the grocery trades, in which one wholesaler operates in concert with a number of retailers. We do not see this sort of development as embracing traditional florists, since the sale of ordinary flowers on impulse is alien to their ways of thought; but on the other hand they would not be prejudiced and could even benefit through flowers becoming more widely popularised. This is, of course, another instance in which the emergence of a new trading pattern will have to wait on private enterprise seeing a practical opportunity. A shortage of managerial talent is said to be one of the major limitations at present—in particular, managers with a flair for the commercial side of the business rather than for dealing with the

flowers themselves. All we can do here is to give some reasons why we think there may well be scope for this kind of development. These are, essentially, that if flowers can be thought of as ordinary merchandise, not as luxuries or works of art, there is no reason in principle why they should not begin to be merchandised in various ways that have become commonplace for other commodities. The leading method, for most consumer goods which are still expanding strongly, is the chain store supermarket, but in the case of flowers we have preferred the model of the voluntary chain because it provides far more individual initiative for the actual seller of flowers.*

However, the exact system of organisation does not matter at this stage; all that is necessary is to identify this type of selling as one of the few that could be put forward as likely to stimulate demand by improving the presentation and quantity of the supply.

* We have, however, heard of one pending development in which something more like the chain store model is proposed—that is to say, the actual sellers of flowers will be branch managers of the central organisation.

We also see the type of development discussed in this paragraph as being particularly suited to the more affluent areas, as being best able to support specialised flower shops of any kind. In industrial towns and rural villages the best chances of developing new outlets will probably be through the greengrocers.

Chapter VI

PROSPECTS FOR ACTION

The action we have in mind is, of course, any that may raise the level of demand for flowers, apart from cuts in prices and margins of a kind which would depress the profits of growers or traders. There appear to be three broad categories of action:

(a) changes in the pattern of distribution, including an increase in numbers and sizes of retail outlets;

(b) improvements in the product and its presentation, where these will not involve disproportionate expense; and

(c) promotion.

The first two of these groups have been covered, for the time being, in previous Chapters. No doubt because the prospects of success are by no means certain nor immediate, growers and traders are showing much more interest in the promotion of sales, in the sense of action designed to make consumers want to buy, or at least prepared to buy, by raising the level of their appreciation of the product.

Sales Promotion

Promotion is often considered mainly in terms of publicity, and particularly advertising, but in point of fact many other methods are also in use in the retail trades generally. For instance special offers, coupons, gifts, prizes, etc.—which do not necessarily add anything to the public image of the product in question—are among some of the most widespread selling gimmicks. In the case of flowers, appropriate sales promotion techniques, which are not in the ordinary sense publicity efforts, could include a variety of packaging, handling and merchandising methods directed to lengthening vase life; and in turn the object of this would be to induce repeat sales. The handing out of instructional material on the care of plants and flowers after purchase would have the same aim. In many fields of consumer goods marketing the prime object is not so much to secure initial extra sales, but a steady volume of repeat orders. An initial burst of new business is in many cases not too difficult to secure, but the acid test of success in marketing is the volume of continuing business.

In the circumstances which we have discussed in earlier chapters, it is not surprising that some growers, especially those in areas of "surplus" production, feel the need to appeal to consumers over the heads of the trade in general. Essentially growers are wishing to employ a third party to make consumers more aware of flowers and plants than the activities of the trade have managed to do, and secondarily to stimulate the creation of new merchandising capacity capable of handling a larger volume of produce. They are supported in this endeavour by some primary wholesale traders, and by a fairly small section of the retail trade who are looking for a useful background stimulus to their own sales efforts, rather than for the more revolutionary changes for which some of the producers are looking. Yet not all producers are keen to spend money on a generic nationwide advertising scheme. Some are content with their present level of business, and several sizeable producers have confided that although they nominally support the trade associations in their efforts to improve the trade, they see more than enough business possibilities already, and that these would give them a better and more certain return than they would get by supporting a national advertising campaign. There are those, of course, who have outgrown their present locality and business contacts, but this is an individual problem and not a national one, and at present it is only a small but active minority located mainly in the growing and wholesaling sectors, who see national publicity as a road to salvation and an imperative.

There is a common belief, not confined to flower growers and traders, that to sell anything it has only to be advertised on television (which is indeed a very powerful and effective medium in certain circumstances), but this does less than justice to the marketing effort behind the sales of products of which this type of advertising is only a small and final part. On the other hand, if the money to pay for a promotional campaign has to be raised by public subscription, it is inevitable that attention should be focussed on the prospects for using a powerful advertising medium because contributors will only respond to a dramatic appeal. Flower growers and traders are no different from most other advertisers in wanting to see plenty of apparent value for their money, even if this does lead to a certain amount of inappropriate expenditure. Another common notion is that if flowers or anything else are advertised widely, prices will subsequently rise in response to the increased demand, making for higher profits. Although slight price rises here and there may be possible the most that can be immediately hoped for is that the existing flowers will sell rather more readily. These two aims, higher prices

and readier sales, are of course inter-related, but the sequence of cause and effect proceeds from the second to the first, and is always likely to take time to achieve.

Types of Publicity Aim. Flowers as a whole, to say nothing of pot plants, are a rather ill-defined group of products with a wide variety of uses—which ones to advertise for which purpose will be the first tricky problem to decide unless the money is raised with specific objectives and only taken from the interested parties. A whole series of decisions would have to be made, among which will be:

(a) Whether to aim to sell flowers as such, or flowers as a part of made up work;

(b) Whether to sell flowers in general or only certain species;

(c) Whether to sell those flowers which are at the time allegedly in surplus, or to sell more flowers in general over a longer period. (Whether to clear gluts or to try to change tastes and habits over a longer period);

(d) Whether to sell flowers only in certain parts of the year or through the whole year, and the general approach to the seasonal variations in total supply and different sources of supply;

(e) Whether to try to sell the same types of flowers and plants throughout the country;

(f) The relationship between cut flowers and pot plants—which are competing under certain circumstances;

(g) How much of any budget is to be spent on promotional work and how much on media advertising. Which advertising medium to use, since colour is probably the most distinctive attribute of flowers;

(h) What steps can and should be taken to ensure that the advertised product is in fact on sale.

This list could be continued but it does indicate some of the decisions which would have to be made before flowers and plants could be promoted on a national scale, however appealing the idea of a broad and sweeping campaign may be. There is at present a move afoot to set up a test advertising campaign in two selected areas, but what we are concerned with here is a national campaign. It may be worth having a quick look at what goes on as a part of a normal marketing programme to sell more of an existing product.

Studies are made of the existing and potential markets both for the product in question and for its rival products. The information is then used as a basis for a series of decisions including:

(a) should existing consumers be persuaded to buy more or to pay more?

(b) should existing uses for the product be emphasised or should new uses be promoted?

(c) should the product be aimed at a slightly different group of existing consumers or at consumers who previously did not buy this type of product?

(d) how big a share of the market is to be aimed at?

(e) does the product need modifying?

These aspects are studied in the light of the aims of the company as a whole, and decisions about the marketing objective lead to decisions about how this state of affairs can be brought about and what resources will be needed to capture this new trade. Whatever the objective it is clearly necessary to have the product sufficiently widely available to ensure that as many as possible of the intended customers come into contact with it and have a genuine opportunity to buy it. This may involve the canvassing of new outlets or persuading existing outlets to give your product some prominence. Equally important, a continuity of supplies of the product must be to hand at the retail shop. The later stages of a campaign usually involve the distribution of promotional and display material to each of the selected retail outlets and making sure that it will be used correctly or that it will be used at all. Perhaps some training of shop staff may be needed in the new virtues of the product and how it should be handled. The product is now ready to be advertised in selected media which include newspapers, magazines, and may or may not include television, according to the known habits of the intended consumers, and for any consumer promotion work like demonstrations, competitions and mailing shots, which will have been prepared beforehand.

A campaign to advertise and promote a generic product like leather, fruit, milk or eggs is in many ways a more difficult task than for a branded product since its production is in the hands of many businesses, and the promoting agency has little executive control over the production and distribution of the products. We have observed one case of poor co-ordination where the short-term power of television advertising "oversold" the product to the extent that shop supplies were rapidly exhausted and traders were in no position to benefit from the suddenly increased demand for the product. Also

in this context it is necessary to differentiate between short run increases in sales resulting from a mixture of imaginative advertising and consumer curiosity about a novelty, and long run changes in tastes and habits which result in say, flowers displacing some other products by becoming regular items of expenditure for more consumers. The most effective selling media are also the most expensive ones to use, and such advertising alone may be a costly way of either selling a glut of cheap produce in the short run (days or weeks) or of attempting to permanently change consumer tastes. It is difficult to decide whether many of the well-known generic campaigns have been successful since the real objectives are not known. Most have been for products where consumption levels were static or falling, and if it is assumed that the objectives were to stop or slow down the decline in consumption then probably most can be said to have been successful. If the aim was to increase per capita consumption then success is much harder to find.

Thus, the likelihood of selling many more flowers in the long run by a simple advertising campaign alone is smaller than is commonly believed, but given certain additional promotional work and the full co-operation of all traders (by making flowers more readily available to more consumers) the prospects are better. The limited efforts up to the present of the Flowers Publicity Council* are a case in point, since although its budget is very small, the expenditure has been deployed imaginatively. But selling more flowers is only a means to an end and that is to sell them consistently at a good profit. Just how long and expensive an operation it can be to secure this end by changing consumers' tastes and habits can be shown by a current venture in another field. Three or four firms are now trying to create an enlarged market for dried instant mashed potato, and are currently spending over £1 million each year on advertising, on a combined sales turnover of about £3 million. The figures demonstrate the scale of speculative investment that this kind of operation demands if it is to have any hope of success. Manufacturers who enter this field do so prepared to lose money for the first year or two, then to break even in about three or four years and only hope to begin to recoup on any scale in the subsequent years.

* Flowers Publicity Council Limited was formed in 1958 and currently has an annual income from voluntary contributions of around £30,000; roughly two-thirds of the total is contributed by growers and the remainder by salesmen and by retailers. The Council undertakes poster advertising and local promotional work, issues flower care leaflets and works closely with the trade press, but its activities are limited by the small size of its income. It is not clear what the relationship between F.P.C. and any future promotional schemes would be, but there is no doubt that the Council has accumulated a great deal of experience in this field.

The flower trade as a whole should expect at least to cover the costs of any advertising and selling of extra produce, and may eventually have a reasonably high rate of return on the outlay, but it is unlikely to be clear whether this has happened or not. No satisfactory technique exists for measuring the costs and returns for an advertising campaign conducted on an industry-wide basis and judgements about success must remain a personal matter. Only an outstandingly successful campaign would leave the matter beyond much question, and even then how much of the success could really be attributed to the advertising effort and how much to the extra effort made by individuals would remain a mystery. Still more important perhaps is the probable period over which the publicity effort will have to last. In the case of flowers we doubt if any success, assuming there were a success, would become apparent in much less than five years, and full success might require ten. Outlays and subscriptions would have to continue for longer than many sponsors and subscribers might originally have intended, and the eventual pay off would only accrue after a good deal of loss in the form of interest forgone.

Any campaign, whether based on newspaper or television advertising as such, or on promotional work in particular areas sponsored by a central agency, needs the full co-operation of all the local retailers not only in providing flowers and plants but in actively selling them, and by co-operating with promotional work which may involve the setting up of temporary outlets, or which may favour competing firms. We found evidence that local support among retailers for nationally organised campaigns would be likely to be rather patchy. Individuals would, in any case, benefit to differing extents from an advertising campaign, depending on the degree to which they were willing and able to take advantage of any new found interest in flowers among consumers.

It is easy to regard the 60 per cent of potential consumers, who rarely or never buy flowers, as a tremendous market waiting to be opened up. There may indeed be some prospect of persuading some of these consumers to buy the occasional bunch, but in real terms many of these people are more or less hard-up, often with large families and often at the wrong end of the inflationary spiral. It would be unrealistic to look for much growth here. Part of the explanation for the low level of flower consumption in the United Kingdom is the presence of this large, fairly poor industrial working class not found to anything like the same extent in any other country. (Rural peasantry is a different category altogether.) There is room for a good deal more study of this group of potential consumers and of their flower buying behaviour if and when their incomes do rise. Prospects

are better, however, among the well-to-do working class, and the middle class, and in the short run it is quite clear that the smaller number of consumers in the higher socio-economic groups will be the ones which will show most response to the blandishments of advertising and promotional work. Even within these groups it is highly unlikely that many consumers would be so filled with a new desire to buy flowers that they would make a special journey or even a detour to actually seek out a flower seller. Most would only buy flowers if actually confronted by a flower seller and offered an opportunity to buy a bunch of flowers or a plant.

The possible results of a successful campaign may be worth considering. If it was specifically aimed at selling one or two types of flowers, then sales of other flowers and pot plants could well drop as some sales were switched to the advertised flowers. If new willingness to buy flowers in general were created in consumers, then flowers would have to be very quickly and widely available, otherwise both the goodwill of the consumer and potential turnover would be lost. The chances are that some of these flowers would be imported, particularly if stimulating demand did produce a few price rises here and there. New traders may be quicker to come in if there is any sign of the campaign being a real success. An individual needs comparatively little capital to set up in some parts of the flower trade; barrow boys are only one example. A less likely final point is that should the campaign succeed in supplanting other goods as gifts, firms making these products may change their own advertising strategy.

Much of the foregoing is an attempt to be realistic, although of course the approach may appear a rather negative one. We would be much more optimistic about a more modest campaign. The work that really needs to be done is active promotional work, at the grass roots of the trade, which is, to a large extent, in the retail shops and among consumers, and the fact of the matter is that there is a distinct limit to what can be done by central organisations alone.

The European Example. We would like at this stage to refer again to experiences that we observed in Europe. It is common among members of the British trade to envy the way they do business in various European countries. In practice this often means taking one aspect of the trade and admiring it out of context and without paying much heed to its relevance to British conditions. This is not to say that individual traders cannot, and do not, pick up some very useful trading ideas while touring Europe, which they can try out in their own businesses. British flower traders are not alone in occasionally

feeling that other countries order things much better. For example, we found Swiss florists who exhort one another to emulate the Parisian florists; Dutch, French and German supermarkets look to Migros in Switzerland for ideas on how their own trade might be developed, and the French look to the Dutch for inspiration about producer co-operatives.

When looking at Europe it is very easy to get the impression that the present buoyant states of affairs in the various countries are the contrived results of various collective advertising schemes. Levels of usage of flowers and plants always have been higher in certain parts of North-West Europe, as far as we can ascertain, although the collection and dissemination of figures on the subject is only a latter-day phenomenon. In France we found little evidence of any success in planning the growth of the flower trade, and in Germany a good deal of the credit for the present high level of consumption must inevitably go elsewhere than to the trade development associations, although they have doubtless contributed. The Netherlands is perhaps the prime example of collective development, but this has been possible because there is a clear common objective (exports). In addition the Dutch have accepted a degree of central control which would be unacceptable and unwarranted in United Kingdom conditions. Few of the bodies we visited other than in the Netherlands have any executive function, and in the last resort the future of their trade rests with the many individual traders or perhaps in some cases with co-operatives and consortia. The various bodies do of course have an important function to perform in creating and improving the climate of confidence within the trade and acting as a focus for such industry-wide activities as seem feasible. But to credit them with having created a rapidly expanding market in flowers would be absurd.

As an example of the realistic possibilities of an organised promotional effort the German experience is worth noting. Only recently have they mounted an all-year-round campaign, previously it was seasonal, and only recently have they used television advertising at all regularly, mainly because it is so very expensive and suited only to fast-selling goods. Advertising has been done predominantly in magazines where colour can be used and in newspapers, with the bulk of the time, money and effort going into promotional work often at a local level and often dealing with individually small items. Flower care leaflets are a major part of their work (it may seem surprising that Germans, who have been used to buying so many flowers and plants for so many years, are still learning how to care for them). Although there is a central publicity organisation with about £300,000

to spend this organisation is basically a co-ordinator. The bulk of the real work is done by local associations and organisations of flower traders, seeing to it that no public or private function, be it a theatrical or T.V. production, reception, local show or "pop" festival, is staged without flowers and plants being used wherever possible. In most cases the organisation merely puts the suggestion, which of necessity has then to be followed up by the local florists' association or by an individual, but it is at this rather unimpressive (at least to the outsider) level that so much good work and effort is put in. To the individuals concerned, of course, the stimulus from successful efforts is very impressive.

To return to the United Kingdom position, we would like to see much more attention being paid to the stimulation of promotional work mainly at a local level—the sort of activity that seems to have helped to create such a favourable attitude towards flowers in Germany. A Development Council may well be an appropriate type of body to co-ordinate this work but the activities of a small, centrally based organisation of this sort would have to be based on vigorous local groups through which much of the detailed executive work would in practice be done.

We would like to see all sections of the trade, growers, wholesalers, distributors and retailers working together in this kind of activity, although growers may feel the greatest sense of urgency and thus be prepared to put in most of the effort. In particular, retailers should not be expected to bear a disproportionate share of the cost and effort; and as most of the flowers used for displays and shows are a write-off after the event, it would seem reasonable for growers to provide the materials and florists the time and skills needed to arrange the flowers. However it is organised, the putting of flowers before the public at every opportunity assumes that all those concerned are prepared to forgo a small amount of present cash income in return for a possibly greater awareness of flowers by the public in the long run. But done on this scale at this level, the effort does have some chance of bringing tangible business benefits to those doing the work.

We are delighted to hear that a considerable amount of money is currently being raised to stimulate the sales of flowers, and would like to suggest that some of this money should be used to employ a few enthusiastic and energetic people to travel the country to encourage the formation of local flower traders' associations and to guide, stimulate and co-ordinate their efforts. It would almost certainly be helpful to make a short but specific study of the operations

of the whole German flower promotion system. We feel that this would form a sound foundation for the activities of any collective organisation, whatever its constitution, which may be set up in the future. This may seem a less imaginative and less inspiring proposal than the original one of a media advertising campaign, but we feel that it would be of undoubted benefit to the industry.

If the trade as a whole does wish to tackle the task of consumer education it must be recognised that it is a long uphill struggle. It is also likely to be a not very glamorous or initially rewarding task for those involved. Much of the consumers' present awareness of flowers is based on very small experience and a good deal of hearsay. Introducing new opportunities for giving flowers, advising which flowers to give, suggesting the values associated with flowers in the home and as a gift, and information on how to buy wisely and how to care for the flowers, may seem humdrum, but are all points on which a series of useful campaigns could be based. Since most of the trade is based on so-called "forced" flowers, which seem to have a poor image in certain quarters, perhaps an attempt to educate consumers about the virtues of controlled environment production and the care that goes into flower and plant growing would be a good starting point. Some flowers and plants have an "image" problem in common with broiler chickens, cultivated mushrooms and imported tomatoes, of being mass-produced and subject to all the failings of such produce. It is quite feasible that this educational work could be done on a special interest basis, *e.g.*, the carnation growers and the rose growers each paying particular attention to their own product and its consumer acceptance. In any case it is quite clear that more detailed study of the markets for flowers would be needed before any clear guidance could be given on precisely what the most urgent problem is for (say) growers of freezia, or of pot chrysanthemums.

In the final analysis most of the problems have to be faced by the individual traders concerned. To persuade a new customer to buy a bunch of flowers is only a start. Whether he continues as a regular flower buyer depends on whether the flowers are readily available, whether the act of choosing and buying the last bunch was a pleasant one and whether the flowers or plant gave satisfaction. As we said before, the customer may need to be educated about what is reasonable to expect for a given outlay—but all the other factors depend on retailers either collectively or individually. In addition, of course, it is also the retailer who lets the wholesaler and eventually the producer know whether or not the product is satisfactory.

Before much more can be said the trade must get its objectives much clearer—is the major point to try to increase sales of *flowers* or to increase the *profits* of individual firms or of the industry in total? One way to increase the quantities of flowers sold might be to increase the species and grades available at low prices and to merchandise these to the less discriminating parts of the market. But this would only result in increased profits if appropriate low cost methods of "manufacture" and distribution could be found. Such radical change in the structure of the industry was probably not in the minds of our sponsors, and so we have focussed our attentions more on the existing trade and on ways in which it may be developed from within. These include publicity, but on a modest and mainly local scale, with not too much to be expected from it in the short run.

Chapter VII

SUMMARY AND CONCLUSIONS

The starting point for this Study, given us by our terms of reference, has been certain comparisons of flower and pot plant usage per head in different European countries, which appeared to show the United Kingdom at or near the bottom of the list. A detailed analysis of these figures shows, however, that there are substantial imperfections and exaggerations, and a true reading of the statistics puts us in the lower half of the league table but probably not the bottom. We use far less flowers per head than West Germany but there is no great difference compared with the other large western European countries, France and Italy. Nevertheless, these international comparisons show an even more disturbing feature, which is our very slow growth in flower consumption. It is small in absolute terms, and there is every reason to suppose that demand has not kept pace with supply, moderate though the growth in supply has been.

To say that the faster rates of growth in flower consumption on the Continent merely reflect their faster rates of national economic growth is true and important, but probably not quite the whole truth. In all countries there is relatively little interest in flower purchases among the lower income groups, except for occasions of religious significance, and what has happened on the Continent seems to be that first, economic growth has resulted in a quicker rate of promotion into the upper income groups, and second (particularly in Germany) that in these groups a social custom of flower buying has become superimposed on the religious one. Flower buying is a national expression of affluence in any event, but one begins to see in Germany, at least, that it is becoming part of a social ritual as well. It is also the case on the Continent that the trade is so organised as to cater for impulse buying, so that the motives for flower buying are not denied expression through the lack of flowers where and when they are wanted.

In the United Kingdom we have to accept our slower rate of growth as a fact, at least for the time being, but it would be quite wrong and defeatist to use it as an excuse for passivity. Our task is to make the most of the market, such as it is, just as do the manufacturers and suppliers of consumer goods of other kinds.

Before considering what needs to be done in these directions, and how to do it, we have given some attention to the detailed analysis of flower buying habits in the United Kingdom, the types of flowers and plants on offer, and the channels of distribution. Flower buying habits can be classified according to motive: weddings and funerals; flowers bought to give one's friends and relatives; flowers bought to embellish one's home; and flowers similarly bought to embellish offices, hotels and the like. The overwhelming importance of the first of these four uses continues to be responsible for the orientation of the retail trade towards made up work. The traditional florist in this country makes most of his living from selling his skills as a kind of artist, and to think of him as a seller of flowers is to misconceive his role and his motive. Flowers bought as gifts for use in the home are a more natural sort of product—and indeed increasingly take the form of pot plants—but are only a minor part of the total trade. Flowers and plants bought by institutions of various kinds are also more or less natural objects, but are a more substantial part of total sales, perhaps amounting to about one-third, and one of the few sectors showing visible signs of growth.

Nothing of great consequence has emerged from our study of the different kinds of plant material on offer, beyond the obvious point that marketing is made more difficult by the profusion of varieties and changing seasonal patterns of supplies. This last problem has, however, been partly relieved over the last decade by the greater relative share of the market held by carnations and chrysanthemums, which can be produced more or less uniformly during the year, and during the winter at prices that are not prohibitive. One other feature worth mentioning is the important role played by bulb flowers in the early spring months—these particularly meet the demand for flowers for home embellishment on the part of consumers who have garden flowers of their own during most of the year.

As sales of flowers and pot plants of all kinds make up such a small share of the total demand for consumer goods, it cannot be expected that flower selling shops will be as numerous and as well and uniformly sited as grocers or butchers. Even if in this country we had the large numbers of flower selling kiosks that are common in Germany and Holland, for instance, the need to seek out flowers and carry them home would be bound to be something of an impediment to trade. This must be particularly the case in areas of low population density or uniformly low standards of living, such as the older industrial towns. Nevertheless, there are several respects in which the existing patterns of distribution can be criticised and suggestions for improvement made.

Others besides ourselves have made criticisms, and one of these concerns, as might be expected, the customary disinterest of the traditional florist in the sale of flowers as such. From the point of view of the grower he is up against a major purchaser of his products who has little or no interest in pushing them, because he is selling something for which flowers are only a raw material. One has to balance on a knife edge to decide how far this criticism is justified. If a traditional florist has spare capacity in his business which he could use for selling fairly cheap flowers it would be foolish not to do so, and short sighted of him to take the view that this would damage the more valuable side of the business. Cheap flowers may indeed compete to a slight extent with expensive, but it is more important to florists as a class to get flowers popularised by attracting new classes of customer. Even less defensible is the habit of some florists of treating enquiries for cheap flowers with open disdain. These negativistic attitudes are not, of course, universal among traditional florists and some have a thriving business in the selling of ordinary flowers. But on the other side of the case we must in the main accept the customary defence of the florist when he is criticised for not becoming a flower seller. This is that if he had more resources to put into his business, they would be more profitably employed in developing and refining the pricier side of the business, not in developing a cheap side line.

This last argument unfortunately has a wider application. As soon as one begins to look for new potential types of retail outlets among types of trader other than florists—whether they be supermarkets, greengrocers, specialist flower shops, stalls or kiosks—one comes up against the difficulty that cheap flowers cannot in general yield returns which are commensurate to the risks. We put this difficulty mainly in terms of risk, because it cannot be said that flower selling is expensive of capital or exceptionally laborious: but on the other hand risk is an exceptionally severe factor when selling a highly perishable product to people whose demands may alter unpredictably with the weather or half a dozen other factors. For completeness we should add that flower selling of any kind is only likely to succeed if the seller has some love of his product and a zest for seeking out the best source of supplies, and that retailers with these characteristics are few enough to be in strong demand in other classes of business unconnected with flowers.

Among the potentially expanding types of retail outlet we have particularly examined are sales through supermarkets, sales through greengrocers, and consortia of wholesalers and retailers, with the former undertaking procurement and the latter the selling. All have

some promise, and indeed the greengrocery outlet is already of some importance. None, however, is a panacea, and a slow development of these kinds of outlet is the most that can be looked for. We do, however, feel that sales into the institutional and business sector could be made to offer much more scope. This is a large sector of the total demand for flowers and plants which has grown up more or less unnoticed, and so far few retailers, wholesalers or growers' groups have gone out of their way to develop and exploit it. The contrast between the generally passive selling of flowers and plants to offices and other institutions and the active selling of furnishings and fixtures and other office status symbols is rather painful.

We must commend, but not exaggerate the quantitative importance of the retail outlets that have sprung up in conjunction with growing—that is the garden centre and roadside stall. It is also worth notice that in West Sussex, a concentrated producing area, there has been a development comparable with what we have noticed in Germany and Holland, and that is a substantial sale of "seconds" and other cheap flowers through a wide variety of channels to the local population and the large numbers of day tourists.

The distribution channels for flowers and plants also include the wholesalers, mainly located at or near the public markets. These give an efficient service, fully comparable with anything we have seen abroad, and one which is insufficiently appreciated. It may become better still when Covent Garden market, by far the largest of them, is replaced by Nine Elms. But one slightly critical comment is necessary. It seems doubtful whether any major increase in consumption can be secured except to the accompaniment of an increase in delivery services to retailers.

Another aspect of the efficient distribution of flowers is the handling methods, which ideally should guarantee that a plant or bunch of flowers should arrive at its destination little different in freshness or quality from its original condition. This ideal can never be realised in practice, but even so we have encountered too many instances of circuitous channels of supply, the sales of flowers which can be seen to be well beyond their peak, and of actual damage in transit. The last of these is partly accounted for by bad packing, and in particular the use of loose packing systems. We are glad to see signs of a move towards bulk packing, which saves material and transport charges, and usually results in less damage. But the use of bulk packing systems is generally inconsistent with the inspection of the blooms by the buyer one by one, so that in practice the development of bulk packing has to go hand in hand with the establishment by growers

of grade standards on which the buyers can count with complete confidence. In general we feel that growers and traders as a whole are not sufficiently aware of the damage done to sales by even a few cases of the selling of broken, bruised and wilted flowers. In a country in which the buying of flowers is not a firmly established habit, any purchase is seen by the buyer as something of a speculation, and a few disappointing experiences may put him off for good.

Up to this point the possibilities for an enlargement of flower sales cannot have seemed particularly bright, since they call for things to be done by people who have no particular duty to do them, and in some cases no initiative either. In these circumstances some growers and traders have been thinking, more pointedly than hitherto, of flower selling campaigns, in which the devices of publicity are enlisted to appeal direct to the final buyer.

At one extreme the object of such a campaign would be to induce the consumer to become a strong and active buyer, who would go out and look for flowers, and be very willing to pay more for them. The upsurge of demand would swamp all the imperfections of the distributive channels and in the flowers themselves, so that no reforms in these directions would be necessary. All this, however, is a vain hope. A campaign pitched at such a level would be extremely expensive to mount and could hopelessly backfire if the flowers that were sought were not there, because the distributive system had hardly altered.

A more modest objective would be limited to the hope of converting a few hundred thousand existing but indifferent, intermittent, and slightly reluctant buyers into fairly enthusiastic ones, and of creating a few hundred thousand new buyers, who at present use flowers only at weddings and funerals. Clearly this would be a more manageable objective; even so, we must question whether the United Kingdom situation is yet ripe for even a modest selling campaign of national scope.

Some present plans for such a campaign appear to be based in part on a misreading of German experience. It appears to be inferred that because the Germans are now mounting national publicity campaigns, and have visibly experienced a great increase in consumption, the first must have been the cause of the second. In point of fact the chronology is the reverse of this, and the increase of consumption came first. The Germans are treating their national campaign as a sort of culmination and outgrowth of what has been up till very recently—and indeed remains—a large variety of very localised efforts. We have given chapter and verse of a clear proof that the success of the German operation has not come to any great extent

from an appeal to the consumer through television or any other of the "media", but very largely from consistent, continuous and pertinacious attempts to make the presence of flowers visible on every social, cultural and commercial occasion, at the local level, at which flowers could possibly be used. In other words the German public have been persuaded to buy flowers, not because of appeals to buy based on either duty or interest, but because of ever present reminders of the beauty and attractiveness of flowers. In other words, in Germany flowers have sold themselves because they have been freely seen.

The Germans are, however, now turning to national campaigns; and although the use of media publicity in this country at this stage would be a reversal of the German order, it may nevertheless serve a useful purpose, if its limitations are clearly understood. First, it should have the general character, to start with, of a test, perhaps aimed at one or two regions and one or two well defined sections of the potential market. Second, it needs to be realised that even on this limited scale publicity needs to be sustained over a good many years before there can be any signs of a pay off. This needs to be said clearly because there are still some sections of the industry whose exaggerated ideas on advertising are equivalent to trying to build a house from the roof downwards. Moreover, it would be a tragedy if media advertising on any scale were to take the place of, instead of being seen as a counterpart to, local effort to put flowers on display on a host of local occasions.

Our discussion of advertising, like our discussion of some previous matters, has been partly negativistic. This basically springs from the conviction that the purchase of flowers on a large scale must depend on high and rising incomes and on a deep seated appreciation of flowers among a large section of the population—circumstances not easily or quickly created, and the second of them not even by advertising. But it would be too negative not to recognise that some of the omens for an enlargement of the flower trade are better today than they have been for some time. The interest which some growers and traders are now taking in advertising may or may not turn out to be a little misdirected, but it is an interest and a form of collective activity, and as such refreshing as a change from the near total inertia of recent years. Similarly we are not without hope that some of the possibilities for new channels of retailing may make a significant impact, and that the development of bulk packs will put a more consistent product before the public. In short we have been discussing a trade which has many daunting problems before it, but is showing more signs of being prepared to take their measure.

Appendix A

THE STUDY

Staffing and Time. The work was carried out with the help of a part-time assistant and was commenced in the spring of 1969 and completed in the autumn of 1970.

Methodology. The study was essentially of an exploratory nature and for this reason was required to cover as many aspects of the flower trades as possible in order first to attempt a balanced assessment, and secondly to identify those areas where further work, if it should be commissioned, would be likely to be most rewarding. This approach inevitably ruled out any precise information gathering and analytical techniques. The main technique was the interview, which of course varied in length from a few minutes to up to two hours and in usefulness from near abuse to extremely helpful information and objective comment. A number of questionnaires were sent out. Usually it was a question of up to a dozen being sent out to collect information on some particular point and a questionnaire was sometimes sent out to individuals who could not be contacted in any other way. Approximately 200 growers and traders were contacted in this way with a simple breakdown as follows:

Growers	25
Growers' Co-operatives	3
Importers	3
Wholesalers and Distributors	35
Flower sellers	130

During the 18 month period of the study, all those engaged in this work have used every opportunity to collect consumers' reactions about flowers and pot plants. The aim has always been to collect unprompted comments, not to test a consumer's reaction to a supposedly important point. In line with this, we conducted eight discussion groups, four in the South-East and four in Yorkshire. In selecting the precise areas in which the work was carried out we aimed to get these areas as near as possible to the national averages in important characteristics. Participants from all socio-economic groups were invited to participate but we had only a modest response rate: those in the lowest social groups were unwilling to participate. The participants met in an informal atmosphere, the topic of "flowers" was introduced into the conversation and the resulting discussion (up

to 1½ hours) was recorded on tape for subsequent analysis. The depth of familiarity with the topic was less than we had anticipated and occasionally the conversation had to be restarted by the organiser.

Overseas Work. Much comparative material was collected during overseas trips. We had some familiarity with both Danish and Belgian conditions, and concentrated our efforts upon visiting traders and researchers in West Germany (2 weeks), Netherlands (1 week), France (2 weeks), and Switzerland (1 week).

Reference Material. A good deal more has been written about aspects of flower marketing than is commonly supposed although much of the material, especially American work, is of a semi-technical nature. Little of this work has had any wide circulation and little is quoted in bibliographies. Produktschap voor Siergewassen in the Netherlands acts as a kind of informal clearing house for much published work but it is clear that a good deal of isolated and uncoordinated work is going on in various European countries (and in some cases within the same country).

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No. 5. Horticultural Marketing Co-operatives: The Scope for Large Scale Organisation by J. H. Kirk and P. G. Ellis.

No. 6. The United Kingdom Trade in Imported Fresh Fruit by J. H. Kirk and P. G. Ellis.

In addition, Wye College have been closely associated with the writing of "Co-operation and the Potato Market" by Dr. E. T. Gibbons, published by the University of Newcastle-upon-Tyne (price 75p).

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