

Understanding Floral Product Buying Patterns when Purchasing Birthday Gifts

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Like it or not, every year, everyone has a Birthday! Birthdays mean gifts and gift giving can mean an opportunity for a floral product sale. Gaining insight into the buying habits and needs fulfilled - when a floral product is the Birthday gift of choice should - enable retailers to better assist customers' decision process. Information from the American Floral Endowment's Consumer Tracking Study is reviewed here to reveal the size of the opportunity and buying characteristics of the floral Birthday gift market

As it is, occasions like Birthdays (Special Occasions although not a specific calendar occasion) account for four of every ten floral product purchases consumers make.

Figure 1:

All Floral Products:	Past Three Years Apr '98 - Mar '01
Purchase Occasions:	
Calendar Occasions	18%
Other Special Occasions	41%
No Special Occasion	<u>41%</u>
Total	100%

Of the top ten Non Calendar Special Occasions prompting a floral product purchase, Birthdays rank second highest in frequency of purchase:

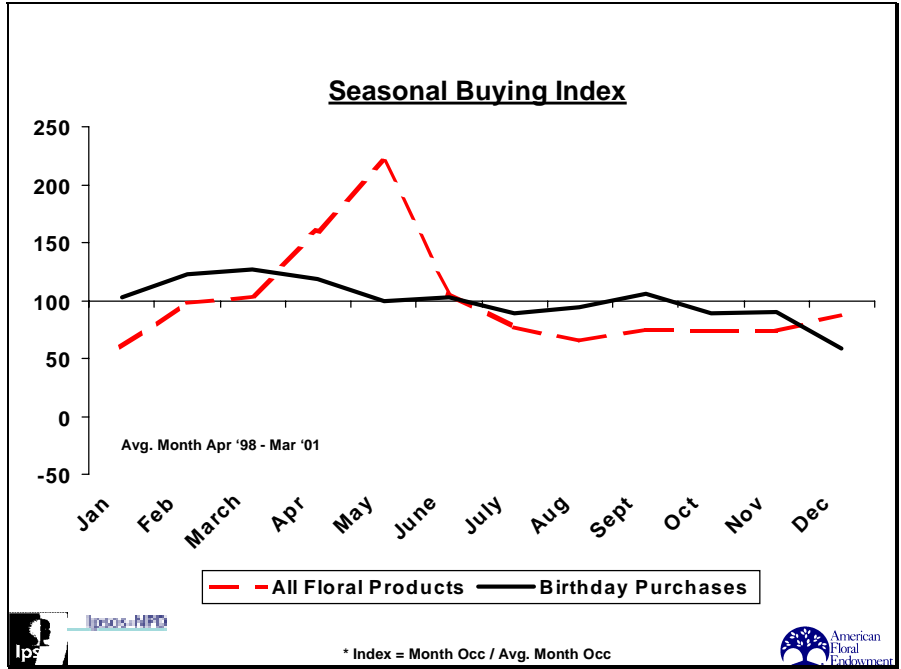
Figure 2:

All Floral Products	Apr '98 - Mar '01 Share of Occasions
Non Calendar Special Occasions	
Home Decoration	38%
BIRTHDAYS	15%
Cemetery / Memorial	10%
Get Well	7%
Sympathy/Funeral	7%
Love	6%
Anniversary	5%
Congratulations	2%
All others combined	<u>10%</u>
Total	100%

Of course, Birthday floral buying occasions -- unlike the floral market overall -- occur rather evenly across the year. It does seem, though, that folks with Birthdays in February

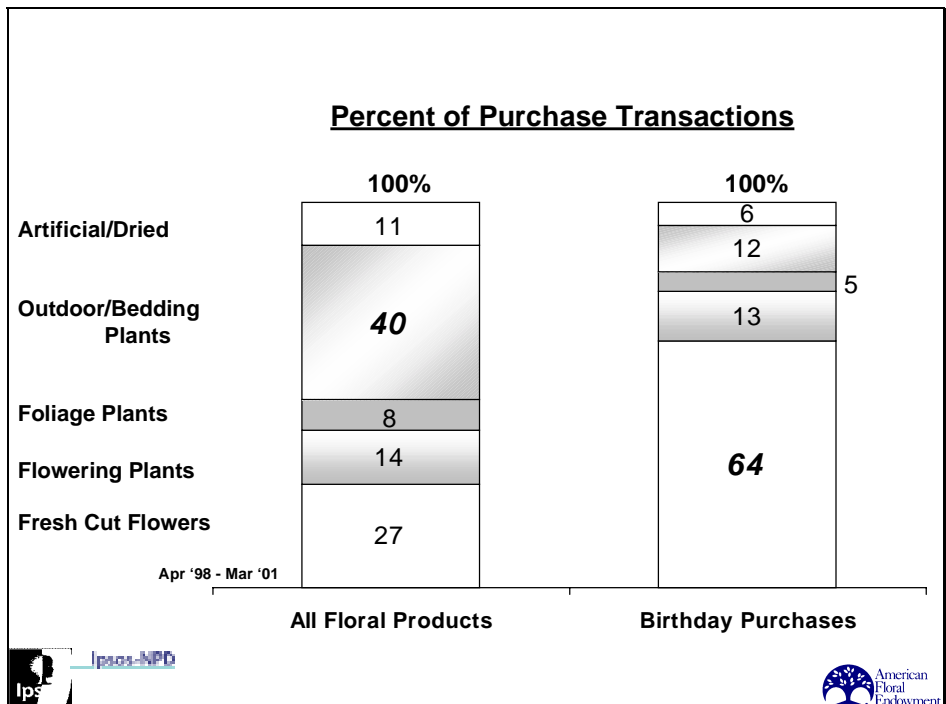
and March are more likely to receive a floral item gift than folks with birthdays in other months. And, other gift options compete with floral gifts particularly in December.

Figure 3:



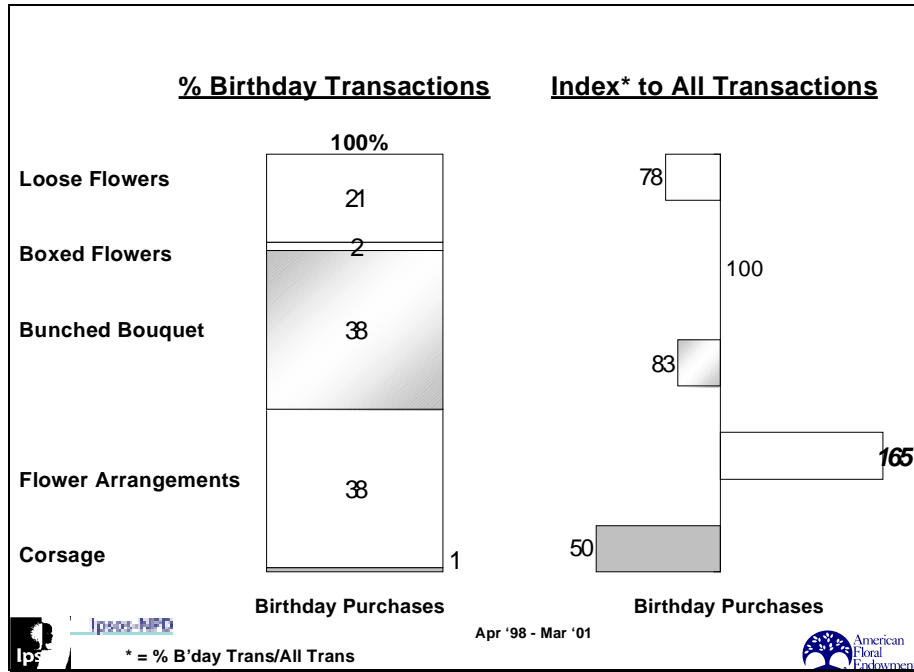
Fresh Cut Flowers are selected most often for the Birthday purchase. While this is no surprise, it is of interest to note that over one third (36%) of the opportunity rests with other products -- including Bedding Plants.

Figure 4:



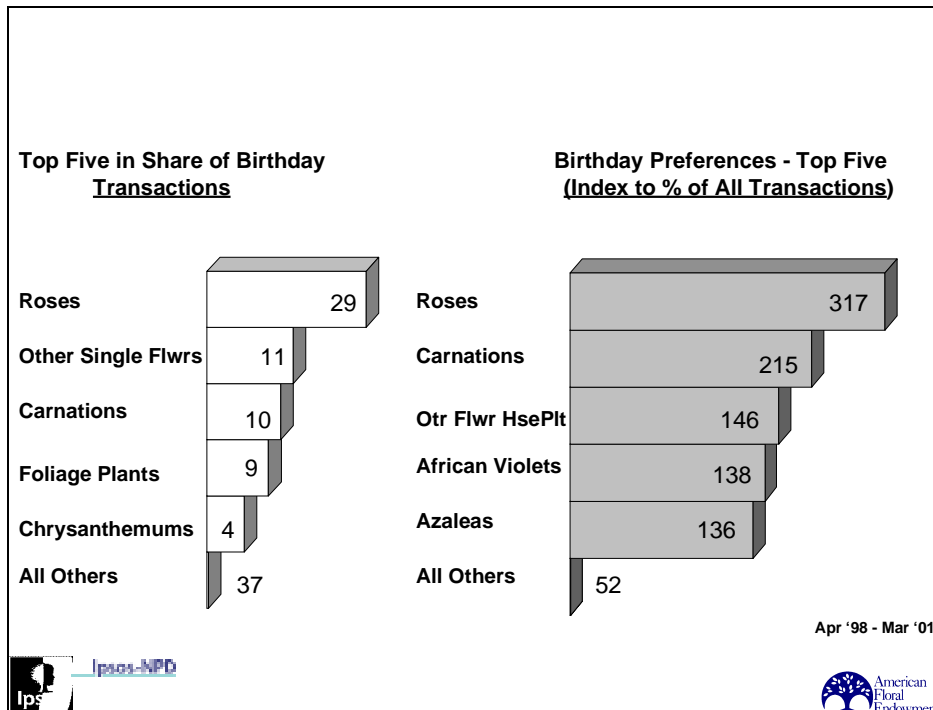
Within the Cut Flower Segment, a flower arrangement or bunched bouquet is selected the majority of the time. When compared to all purchases, the preference for Birthday is clearly a Flower Arrangement.

Figure 5:



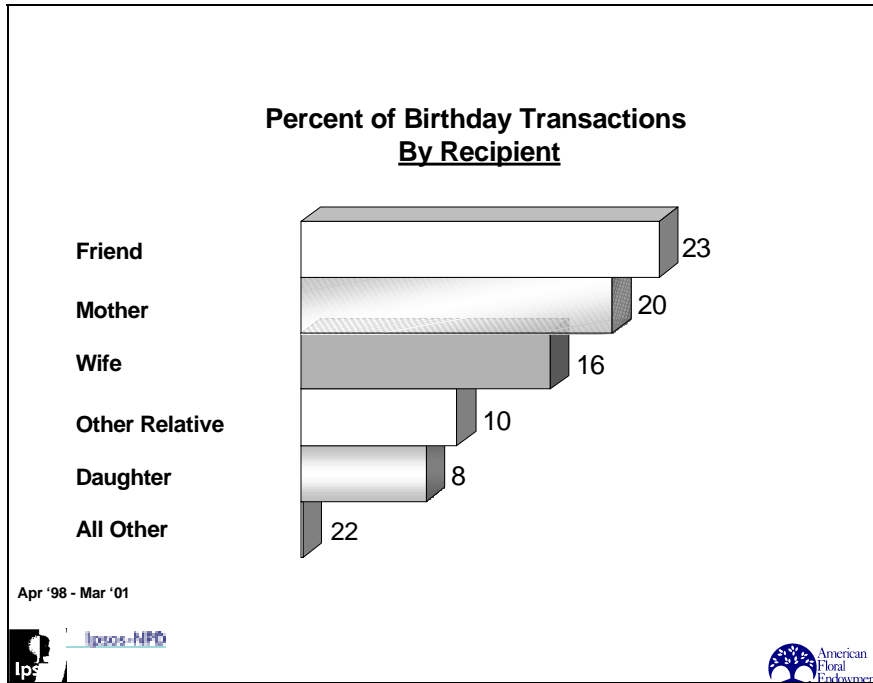
Even though Fresh Cut Flowers in total capture over half of all Birthday purchases, a few flowering plants are also quite popular as Birthday items:

Figure 6:



Floral Products may be given as Birthday gifts to every and anyone but the large majority (77%) are purchases for these recipients:

Figure 7:



Customers choose floral items as Birthday gifts because they Make the Recipient Feel Special, the giver Likes to Give Flowers / Plants, they Communicate Feelings and are Ideal for the Person Who Has Everything (sums to 63% of all transactions). But, when we contrast the distribution of Birthday Gift transactions to all floral gifts, what distinguishes Birthday buying is:

Figure 8:

Couldn't Think of Anything Else	237 index
Ideal for Person with Everything	210 index
Delivery service	189 index

Additional support to the suggestion that floral products are a convenient gift for the shopper to give is evident in the use of the telephone and Internet in making Birthday gift purchases:

Figure 9:

	How Purchase Occasion Was Made % Purchase Occasions		
	All Occasions	All Gift Occasions	Birthday Occasions
In Person	89%	84%	81%
Telephone/Internet	7%	13%	16%
Other	4%	3%	3%
Total	100%	100%	100%

Those who purchase floral products for Birthdays are typical floral product customers. Households headed by someone in the 25-54 year age group make the majority of the transactions (65% of them). All income groups purchase floral items for Birthdays -- with some typical skew to the more affluent household.

In summary:

- -Birthday occasions offer retailers a sizable sales opportunity currently (rank second in non-calendar occasion buying) -- yet there's room for expansion and growth.
- -Although Fresh Cut Flowers are selected for Birthday gifts the majority of the time, interest is shown in -- and suggestive selling could further support -- buying Foliage Plants, Chrysanthemums, African Violets and Azaleas for Birthday occasions.
- -The recipient of a floral Birthday gift is typically a Friend, Mother or Wife and the gift is purchased particularly when the person is hard to buy for (Couldn't Think of Anything Else, Person Has Everything).
- -As seen so often, a floral gift purchase addresses the ever-present need for convenience -- retailers' acceptance of telephone and Internet orders and providing delivery support this need.

The retailer may wish to grow their Birthday sales by building on the convenience offered the buyer. Examples of ways to do this include collecting birth dates of customers' family members, sending reminder notices or a phone call to assist with any last minute Birthday gift buying needs, positioning the gift against the stated benefits to both the buyer and the recipient. The extra effort can turn a birth date into a Happy Birthday (!) for the recipient, the buyer and the retailer.