



Market Report

A Snapshot of your Market Sector

Florist

This pack has been designed to provide information on setting up a business in the Florist industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in January 2018. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Florist market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Scotland contributes **4.2% of wholesale revenue** and according to the Scottish Agriculture College, most production serves a particular niche market, such as boxed bunches, sleeved single species and mixed arrangements, mainly to supply florists and other retailers. (IBISWorld, *Flower & Plant Wholesaling in the UK*, March 2017)
- ◆ IBISWorld expects industry performance to improve over the next five years thanks to increased demand as consumer confidence stabilises. Budgets for special events, such as weddings and funerals, are likely to grow, boosting demand for added-value floristry services. While competition is forecast to grow in the traditional retail market, competition is likely to be focused on online retail over the next five years as total online expenditure increases. In this environment, florists are likely to be increasingly reliant on relay organisations to generate significant online orders. (IBISWorld, *Florists in the UK*, October 2017)
- ◆ Retailers are the second largest downstream market for flower and plant growers. Retailers contribute **approximately 29.2% of industry revenue** making them an important outlet. The retail market has three main subdivisions: independent florists, supermarkets and garden centres or nurseries. Independent florists generally purchase cut flowers and other floriculture products from specialised packing companies that purchase and grade what they receive from growers, although they may also purchase directly from growers, thereby generating revenue in this segment. (IBISWorld, *Flower & Plant Growing in the UK*, August 2017)
- ◆ The tendency for consumers to associate handmade gifts with being more personal is high amongst most consumers no matter what their age. Mintel's *Survival Skills* identifies how consumers are increasingly taking pride in doing it themselves. This reaffirms that in-store workshops to help customers create their own unique gifts are likely to resonate. Florists have been utilising this in recent years, offering workshops in the run-up to the events. (Mintel, *Seasonal Shopping Spring/Summer – UK*, October 2017)
- ◆ The national organisation for this industry is the [British Florist Association](#). Other industry bodies include [The Florist](#) and [Florist News](#).



Connect with us

Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **IBISWorld – Florists in the UK (October 2017)**. In 2017-18, the depreciation of the pound since the EU referendum is expected to increase the cost of imported products. This is likely to affect small florists without long-term supply contracts the most. To compete with larger competitors smaller florists will need to employ new or refined techniques to win and retain customers. One way that small independent florists may be able to do this is by emphasising both the skill and the bespoke services that highly trained florists offer.

There are also a number of online resources you may find helpful:

- ◆ **The Guardian, Flat-packed bouquets: the start-ups transforming the flower trade, October 2017** (tinyurl.com/ycyb6av8). This article discusses the new trend in the British flower industry – flat pack bouquets of flowers that fit through your letterbox. The report also discusses the rise in popularity of fake flowers.
- ◆ **National Farmers Union, Backing British Blooms: The State of the British Cut Flower Industry, June 2016** (tinyurl.com/y96gb8qb). This report looks at a number of factors, including the value of cut flowers to the British economy, information on areas of British cut flower production, per capita consumption, sales by outlet type, as well as information on research and development and the promotion of British cut flowers.
- ◆ **The Guardian, Florists and farmers call on patriotic shoppers to buy British blooms, May 2017** (tinyurl.com/lw2vs94). This article by The Guardian discusses the importance of provenance labelling for cut flowers to allow consumers to more easily recognise which flowers are homegrown, in the hope that they will want to purchase local and seasonal flowers.
- ◆ **Simply Business, Florist start-ups bloom as 66% rise is revealed ahead of Chelsea Flower Show, May 2017** (tinyurl.com/y8zlozka). Data by Simply Business showed a 66% rise in the number of independent garden centres, nurseries and florists in the UK. Glasgow was one of the cities that showed a growth in the number of florists in 2016.

Disclaimer: please note that this research may contain copyrighted material. Copyright belongs to the holders credited above and, as such, recipients of this research reproduce and repurpose this information at their own risk.

How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as Yell, Thomson Local or Google Maps
- ◆ Trade specialists like EuroPages (European directory), The Wholesaler or Free Index
- ◆ Business to business (B2B) specialists such as Kompass

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the Companies House website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



Connect with us

What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Retaining and Grow Your Customer Base](#) (tinyurl.com/c2fw4o4) will help you to identify who your customers are, how to use this information to sell more effectively and how to actively compete in your marketplace.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the National Records of Scotland (NRS). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the Census Area Profiles. Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ Understanding Scottish Places has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ Scottish Government Statistics provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ The Scottish Household Survey provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ Office for National Statistics (ONS) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Account](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

Last updated: Jan 2018

Updated by: Catriona MacTaggart

Connect with us