



Market Report

A Snapshot of your Market Sector

Florist

Cost of Doing Business Support

For information on **reducing the cost of running your business**, the [Find Business Support](#) website has links to advice, funding and regional support.

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 **May 2023**. 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:

- ◆ People continue to see the health benefits of flowers and houseplants with many now incorporating them in their everyday lives, as 92% enjoy having flowers/houseplants in the home. Promoting and highlighting the tangible benefits of flowers/ houseplants will be instrumental in encouraging spend from consumers whose incomes continue to be squeezed. This will be instrumental for the growth of the sector but a promising aspect is that 77% of those who enjoy having flowers in the home also think buying flowers/ houseplants is an affordable luxury (Intel, *Consumer Attitudes Towards Cut Flowers and Houseplants*, March 2023).
- ◆ Like many specialist retail industries, external competition and a rapidly changing market have devalued the specialist skill of floristry and significantly affected the industry. Industry revenue is expected to fall at a compound annual rate of 5% over the five years through 2022-23 to £953.9 million. In 2020-21, the COVID-19 (coronavirus) pandemic strained the budgets of consumers and businesses and resulted in a significant number of event cancellations, weighing on industry revenue (IBISWorld, *Florists in the UK*, August 2022).
- ◆ Large traditional flower retailers have increasingly formed partnerships with relay operators, such as Interflora or eFlorist, or launched their own online sales platforms, particularly following the challenges faced during the coronavirus pandemic. The shift towards online operations has reduced the importance of physical location, enabling the rental costs of competitors to fall and allowing them to better compete on price. (IBISWorld, *Online Flower Retailers in the UK*, August 2022).
- ◆ Some domestic customers prefer British flowers and plants due to the high carbon footprint of importing floriculture products over long distances. Domestic flower producers and organisations such as the British Flower Collective have responded by advertising the origin of their flowers and plants. Furthermore, domestic operators have regained market share, with the proportion of domestic demand satisfied by imports decreasing from 48.4% in 2017-18 to 45.7% in 2022-23. (IBISWorld, *Flower & Plant Growing in the UK*, November 2021).
- ◆ The national organisation for this industry is the [British Florist Association](#). Other industry bodies include the [Flowers & Plants Association](#) and [The Florist](#).

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.

- ◆ **Mintel – Consumer Attitudes towards Cut Flowers and Houseplants UK (March 2023):** Fewer consumers bought both flowers and houseplants in 2022/23 as the cost of living crisis forced many to cut back in discretionary areas. The fall was more pronounced for flowers with 45% buying in the past year, down from 50% a year before. While much of the demand here will have been driven by seasonal events like Mother’s Day and Valentine’s Day, flowers are seen as more perishable which makes them particularly sensitive towards a curb in consumer spending power. While older consumers such as over-55s drive flower buying they become cautious when their limited disposable income is under pressure and have notably cut back on buying flowers compared to last year, 50% versus 54% in 2021/22.
- ◆ **IBISWorld – Florists in the UK (August 2022):** Ethical sourcing and sustainability trends are expected to flourish over the five years through 2027-28. Competitors in the Supermarkets industry such as Aldi, have emphasised their Fairtrade products in recent years. Amid the growing focus on ethical sourcing and sustainability, reputation and knowledge of retailers will become important factors in purchasing decisions in this environment, which could help florists gain an advantage over supermarkets. A growing proportion of businesses are expected to invest in ethically and sustainably sourced products over the next five years.
- ◆ **IBISWorld – Flower & Plant Growing in the UK (August 2022):** Wholesalers are the largest downstream market for the industry, accounting for an estimated 55.9% of industry revenue in 2022-23. This segment includes specialised packing companies that facilitate packing, grading and sales between growers and supermarkets. Most florists purchase flowers and plants from wholesalers rather than sourcing from several different growers because wholesalers tend to have a wider range of products.
- ◆ **Mintel – Consumer Attitudes Towards Cut Flowers and Houseplants – UK (March 2021):** 78% of 16-34s are willing to spend more on sustainable flowers/houseplants compared to older counterparts with 55% over-55s willing to pay for sustainable options. Increasingly dubbed “Generation Green”, Millennials prove highly environmentally engaged consumers; the environment is a cause of anxiety for a third (33%) of all Millennials.

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

- ◆ **British Florist Association, Sustainability News, April 2023** (<https://tinyurl.com/2hjwbpky>) - With ever increasing awareness of sustainability, it is important as a florist, you know what steps your industry is taking to make positive changes and how you can support these to benefit your business and your customers.
- ◆ **New Convent Garden Market** (tinyurl.com/2arc28xb) an industry resource with news and trends from the UK florist market.

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.

Connect with us



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 [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

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 Accountant](#)" 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](#).

Although every effort has been made to ensure the accuracy of the information provided, Business Gateway will not be held liable for any inaccuracies or omissions in the data supplied, or for the content of any website that the document above may contain links to. By using this information, you accept this disclaimer in full. Also, please note that Business Gateway does not endorse any business or individual that may be referred to above.

You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

Last updated: May 2023

Updated by: Rebecca

Connect with us