

Bord Bia Amenity Attitudes Evaluation

A Presentation Prepared For Bord Bia

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Amenity Attitudes Evaluation

 **Bord Bia**
Irish Food Board

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KEY RESEARCH LEARNINGS

Objectives

- ✓ The principal objective of this research is:

“To understand current consumer purchase behaviour and attitudes and their influence (in recessionary Ireland) towards plants and gardening. This knowledge will then be used as the basis for influencing decision making surrounding purchasing of plants and garden products in the Republic of Ireland, with a particular emphasis on increasing plant sales.”

- ✓ More specific objectives can be categorised under four broad headings:

Economic
Objectives

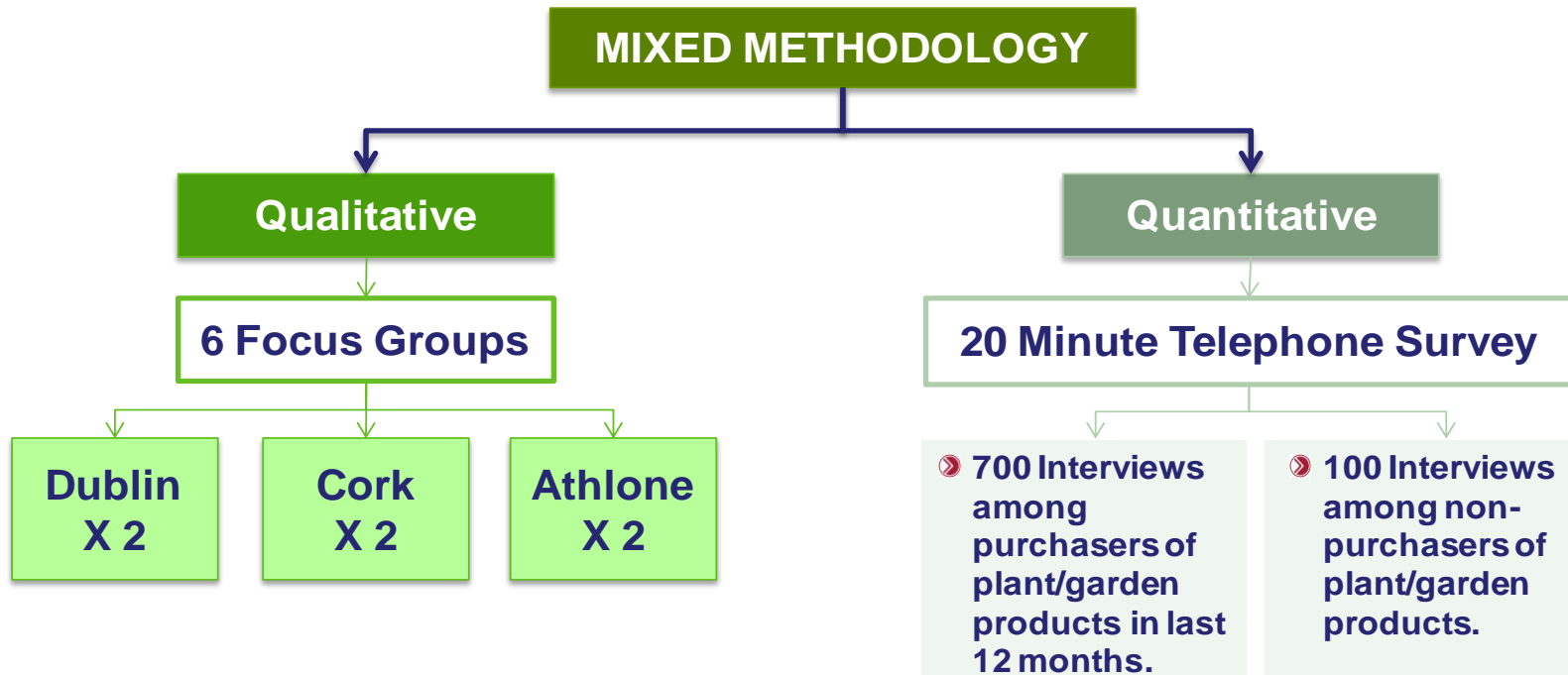
Attitudinal
Objectives

Behavioural
Objectives

Experimental
Objectives

Research Methodology

- ✓ This research was conducted using both a quantitative and qualitative methodology.



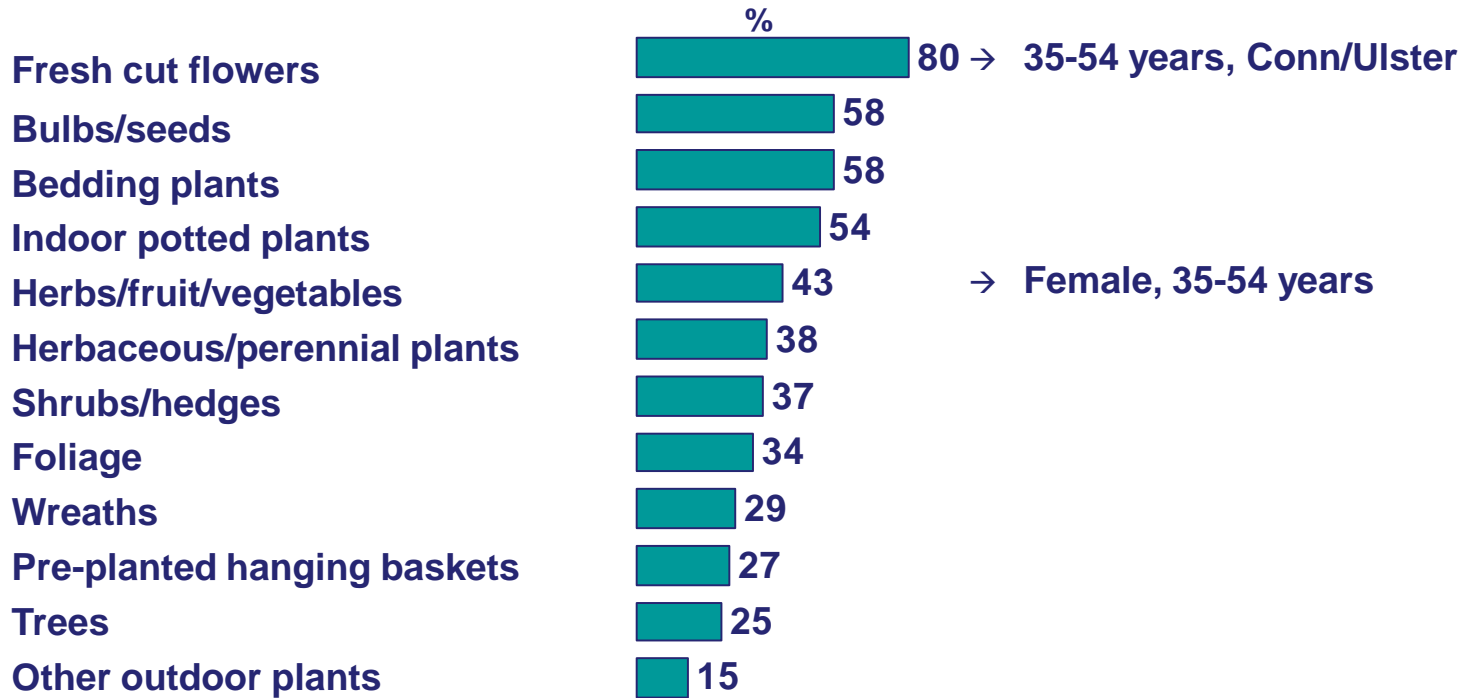
- ✓ All qualitative research was conducted between 22nd – 24th November 2010 and quantitative research was carried out from December 2010 – January 2011.

SECTION 1: Amenity Purchase Behaviour

Flowers and Plants Purchased since January 2010

(Base: All purchasers of flowers/plants - 700)

Total Since January 2010



Change Vs '08

-1% pts

+9% pts

+1% pts

-1% pts

+17% pts

+13% pts

-4% pts

+10% pts

+5% pts

-9% pts

+1% pts

+1% pts

4 in 5 have bought fresh cut flowers in the past year. This was highest among 35-54 year olds and Connaught/Ulster residents. Herbs/fruit/vegetables show most significant change versus 2008 findings (+17% points), followed by herbaceous perennial plants (+13%pts) with pre-planted hanging baskets experiencing the greatest decline (-9%pts).

Influences on Decision Making

| Top 3 Influences | | 2011 | Change vs '08 |
|---|--|-------------------|-----------------|
| Bedding plants (58% purchase) | <ul style="list-style-type: none"> – Visual appeal/aesthetics/look/colour – Price/cost/expense – Healthy/fresh appearance | 30% 26% 14% | +5% +12% |
| Herbs/fruit/veg (43% purchase) | <ul style="list-style-type: none"> – Taste/flavour – Price/cost/expense – Healthy/fresh colour | 27% 18% 15% | +20% +5% |
| Herbaceous/perennial plants (38% purchase) | <ul style="list-style-type: none"> – Price/cost/expense – Visual appeal/aesthetics/look/colour – Healthy/fresh appearance | 27% 26% 17% | +12% |
| Shrubs/hedges (37% purchase) | <ul style="list-style-type: none"> – Price/cost/expense – Visual appeal/aesthetics/look/colour – Healthy/fresh appearance | 26% 24% 16% | +8% |
| Pre-planted hanging baskets (27% purchase) | <ul style="list-style-type: none"> – Price/cost/expense – Visual appeal/aesthetics/look/colour – Healthy/fresh appearance | 32% 30% 15% | +16% |
| Trees (25% purchase) | <ul style="list-style-type: none"> – Visual appeal/aesthetics/look/colour – Price/cost/expense – Healthy/fresh appearance | 26% 23% 16% | +8% +10% |

Price/cost/expense is the top or second influence for all six categories and has increased in all but one versus 2008 by an average of almost 10% pts or more.

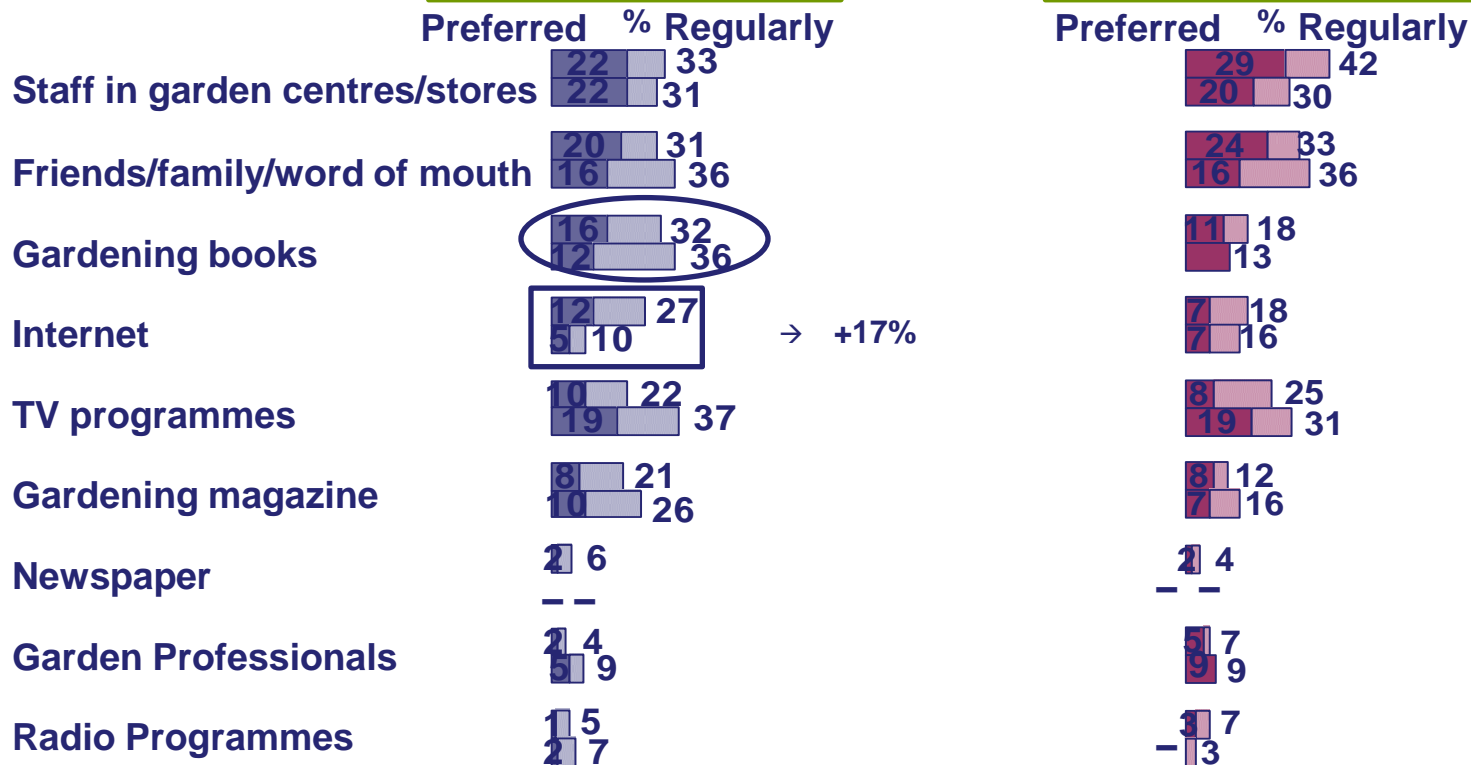
Information Sources Used for Flowers/Plants

(Base: All purchasers & non purchasers of flowers/plants)

2011
2008

Purchasers (700)

Non Purchasers (100)



Staff in garden centers is the preferred and most regular source of information. Most significantly, use of internet is on the rise. A shift from face to face information to more positive info searches underway. Necessary to promote Bord Bia website as a location for flower/plants information.

+/- = 2008 data

SECTION 2: Context For Change

Macro Context for Change



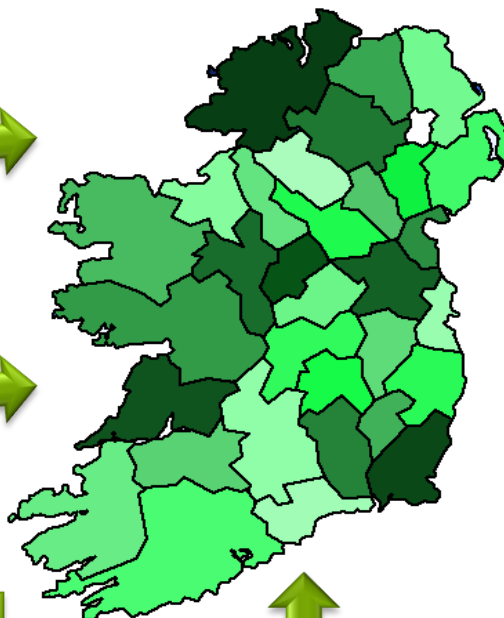
IMF €85 billion bailout to be footed by tax payers announced in November 2010.



2010 saw record breaking floods in January and cold temperatures and snowfall later in the year.



Reduced services and quality of life with recruitment freezes in public services (Gardai, HSE etc), water shortages etc.



13.4% unemployment rate and 444,000 people on the live register in December 2010.



€6 billion taken out of economy for 2011 following 2010 budget cuts of €4 billion and more cuts to come



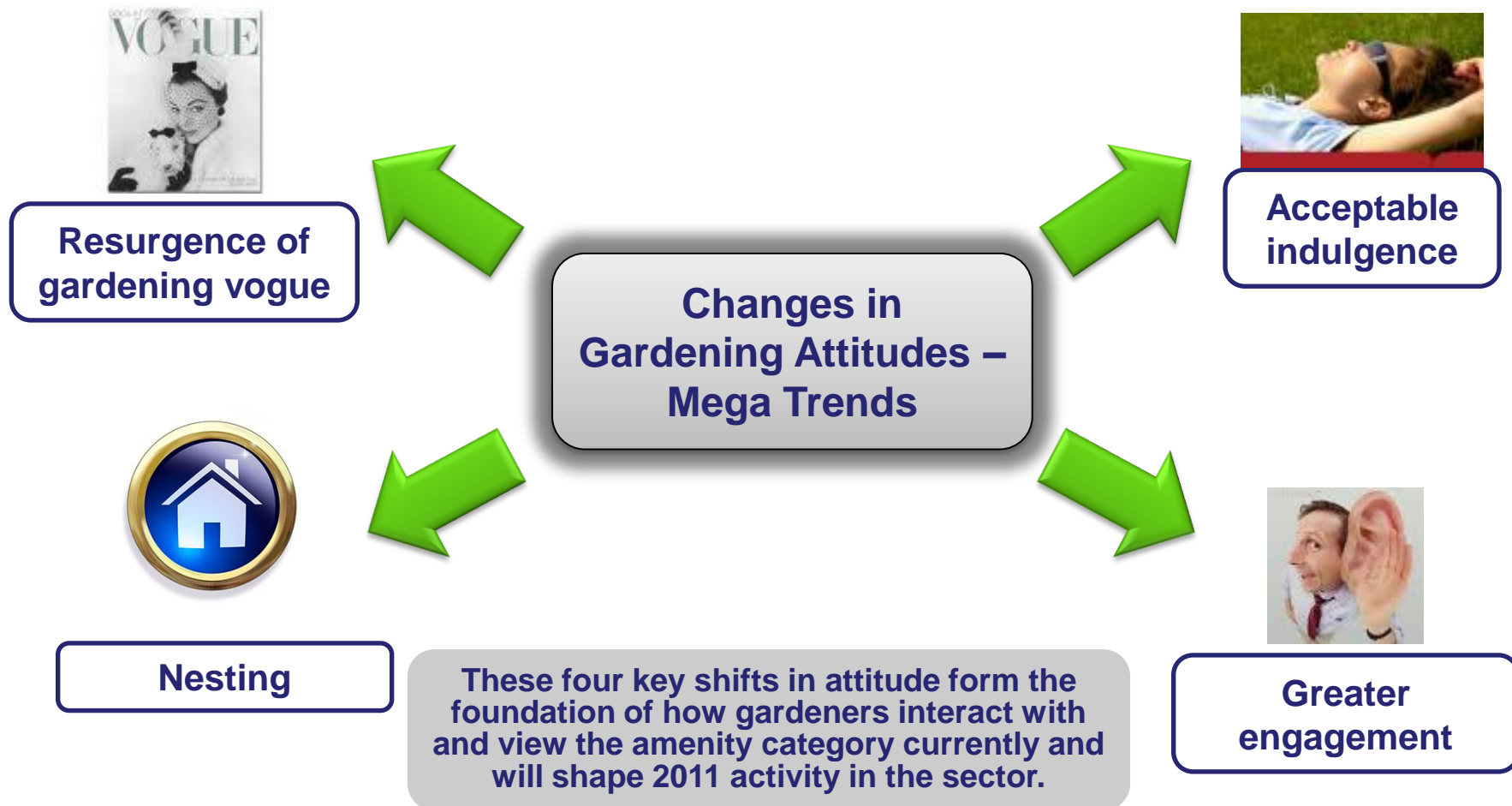
Falling house prices, down 40% from peak and 44,472 mortgages in arrears for 90+ days (5%), estimates place up to one third of homeowners in negative equity.



Increase in Irish emigration to levels not seen since mid 1980's.

Ireland has changed rapidly and significantly over the past few years and this has impacted on peoples behaviour directly and the amenity sector has not been immune from these shifts in attitude or behaviour.

Mega Trends – Changes in Attitudes



SECTION 3: Key Changes in Behaviour

Value Hunting



Purchasers shop around slightly more than non-purchasers when looking for the best deal (37% and 33% respectively).



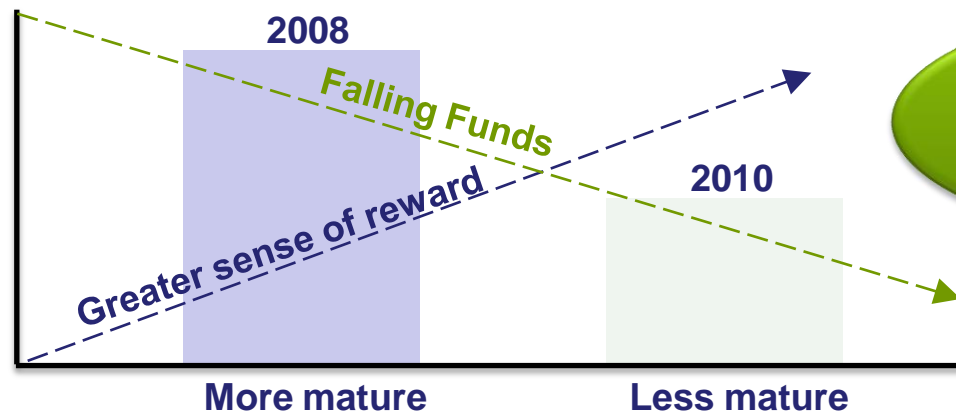
Value hunting

"You'd be more conscious that money isn't as easy to come by so you'd be more inclined to look out for good deals and a bit of value really."

- ✓ Tightening finances have resulted in less disposable income to spend on plants and flowers.
- ✓ Consumers have less to spend and so need to stretch what they get with less money to keep garden as desired.
 - Become more cautious in what is bought and shop around more.
 - Higher tendency to now make small purchases as and when required in order to save money not buy unnecessary items.
- ✓ Also seek alternative means to fill the gap in still keeping garden at the same level as they did during the Celtic Tiger with less spend.
 - Being more inventive around techniques (e.g. using cuttings).
 - Planting younger and less expensive species etc.
 - Open and hungry for tips and hints to help.
- ✓ Driven or forced to be more savvy and frugal by economic restraints but embrace these new found values as feel they are more realistic but also closer to the core of what gardening should be.
 - Growing and maintaining and not instant gardens.
- ✓ Cost control and a need to feel good quality is being received for a fair price.
 - Special offers, reduced prices etc. are all very attractive currently.

Amenity channels need to ensure value is offered at a minimum but also there is a strong potential to educate and provide information and support on how best to be savvy and frugal in the garden.

Less Mature



Although there is a willingness among some to buy more mature plants, almost 2 in 5 purchasers and non-purchasers are buying smaller/younger plants to keep their spending under control

"A seed is like a baby you have to nurture it and look after it but a mature plant is like adoption, you just plant it".

- ✓ Before the economic downturn gardeners wanted a garden that required minimal/ effort and was instantly aesthetically pleasing (i.e. a 'pop up garden').
- ✓ As funds are no longer easily available and in a conscious effort to cut down on costs many have turned to purchasing less mature plants.
- ✓ For most this change in purchasing behaviour and the increased purchasing required for less mature plants resulted in a heightened sense of reward and satisfaction as they watched their garden grow.
- ✓ More mature plants require less effort than planting from seed and therefore a greater connection is felt with the garden.
 - Added benefit of less mature plants being less expensive than mature plants.
- ✓ This has also resulted in a surge in use of cuttings/snippets seeds, bulbs and similar items.

The economic downturn has resulted in gardeners purchasing less mature plants in an effort to cut costs but has developed a greater sense of engagement as they put more effort into nurturing, caring and growing their garden.

Reorganisation, Maintenance & Grow Your Own



Reorganising

- ✓ In order to change garden and keep variety without having to spend, a degree of reorganising and relocating of plants and flowers is occurring more so than in the past.
 - As a result there is a greater focus on smaller less mature, hardy plants and flowers that can cope with relocation (nb hardiness of indigenous stock and therefore value).



Maintenance over planting

- ✓ Gardeners are finding more time for general upkeep and maintenance work in lieu of planting and organising newly bought plants and flowers.
 - Role of tools and products to aid maintenance, therefore increasing in salience but a lower frequency of purchase required.

“There’s a lot to be done in a garden to keep it right even if you plant nothing.”



Grow your own

- ✓ A notable rise in overall interest and acceptance of growing fruit/veg in gardens.
 - In the past considered slightly quirky/conservative.
- ✓ This change in attitude has resulted in greater evidence of people growing their own fruit/veg.
 - As people enter this sub category important for the sector to guide and educate on best practices (welcome them to the category and encourage them to stay in it).

Gardeners behaviour in gardens has changed and alternative more value orientated activities are now being pursued and are in vogue.

45% of purchasers intend to grow their own fruit/veg/potatoes

Instant Solutions, Hard Landscaping & Hiring Professionals

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Instant solutions

- ✓ The heady Celtic Tiger days of instant gratification and pop up gardens via high design and fully mature plants/flowers are gone as gardeners no longer can justify or afford this type of spend.
- ✓ The category must acknowledge this and provide the more value orientated and less mature solutions as a priority to match gardeners needs.

"People won't get anybody in to do something unless it's something they can't physically do themselves it's just too expensive".

Financial constraints and need to reduce spending directly impacting on activities gardeners are doing less.



Hard Landscaping

- ✓ The cost of most hard elements is prohibitive in current climate.
- ✓ In addition hard elements typically are linked with larger design changes which mean even further spend which is difficult to justify.

Need to promote added value which can be received from adding hard elements to the garden (e.g. decking allows more frequent use) – a conversation that has not been actively managed to date. Also education on how to construct hard elements may encourage purchase (i.e. Do it yourself).



Hiring Professionals

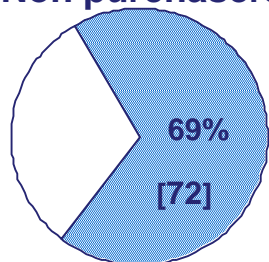
- ✓ There is a perception that to hire and landscape or horticulture professional that it is costly and prohibitively expensive.
 - Most discount consideration of hiring without any further consideration based on this perception.

The perceived cost of hiring labour or landscape professionals is a key barrier to most. However there is scope to educate and dispel the current excessive cost perceptions which may increase consideration.

Reasons for Not Hiring Landscape/Horticultural Now or Future

(Base: All who have not hired a Landscaper/Horticultural Professional - 482)

Purchasers
Non purchasers



Have not hired in the past

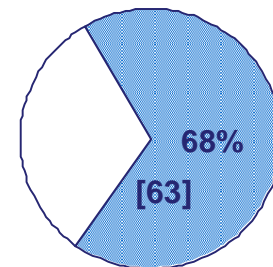
Why?

%

Do not expect to hire in the future

Why?

%



Prefer to do it myself



Too expensive



Never really thought of it



Don't own current home



Family/friends landscaper



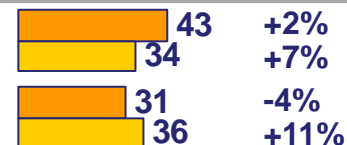
Not enough interest in garden



Garden too small



Don't use garden enough



Preference to do work themselves and expense remain top 2 reasons for not hiring landscape professionals – similar to 2008 findings.

SECTION 4: Channel Image

Channel Image Summary – I



Garden Centre

Performing best on:

- Best for advice on plants (66%)
- Experts in plants/flowers (64%)
- Widest range of plants/flowers (62%)

Performing poorly on:

- Lowest prices for plants/flowers (17%)
- Mainly for flowers (24%)
- Mainly for garden furniture/accessories (25%)



Nurseries

Performing best on:

- Expert in plants/flowers (31%)
- Best for advice on plants (29%)
- Mainly for plants (29%)

Performing poorly on:

- Mainly for garden furniture/accessories (5%)
- Lower prices for plants/flowers (6%)
- Most convenient location to me (12%)



DIY Store

Performing best on:

- Mainly for garden furniture/accessories (74%)
- Best value for money across a range of garden plants and products (39%)
- Most convenient location for me (34%)

Performing poorly on:

- Mainly for flowers (11%)
- Stocks more expensive plants (13%)
- Best for advice on plants (13%)



Florist

Performing best on:

- Mainly for flowers (44%)
- Best quality plants & flowers (13%)
- Stock more expensive plants (11%)

Performing poorly on:

- Mainly for garden furniture/accessories (1%)
- Lowest prices for plants/flowers (1%)
- Best value for money across a range of garden plants & product (2%)

Garden Centres only channel seeing a noticeable shift since 2008, with channel image dropping across all criteria for both purchasers and non purchasers.

Channel Image Summary – II



Convenience Stores

Performing best on:

- Most convenient location for me (5%)

Performing poorly on:

- Overall convenience scores rating poorly under all categories.



Discounters

Performing best on:

- Lowest price for plants/flowers (37%)
- Best value for money across a range of garden plants/products (18%)
- Most convenient location to me (16%)

Performing poorly on:

- Best for advice (1%)
- Stock more expensive plants (1%)
- Widest range of plants & flowers (2%)
- Mainly for garden furniture/accessories (2%)
- Experts in plants/ flowers (2%)



Supermarkets

Performing best on:

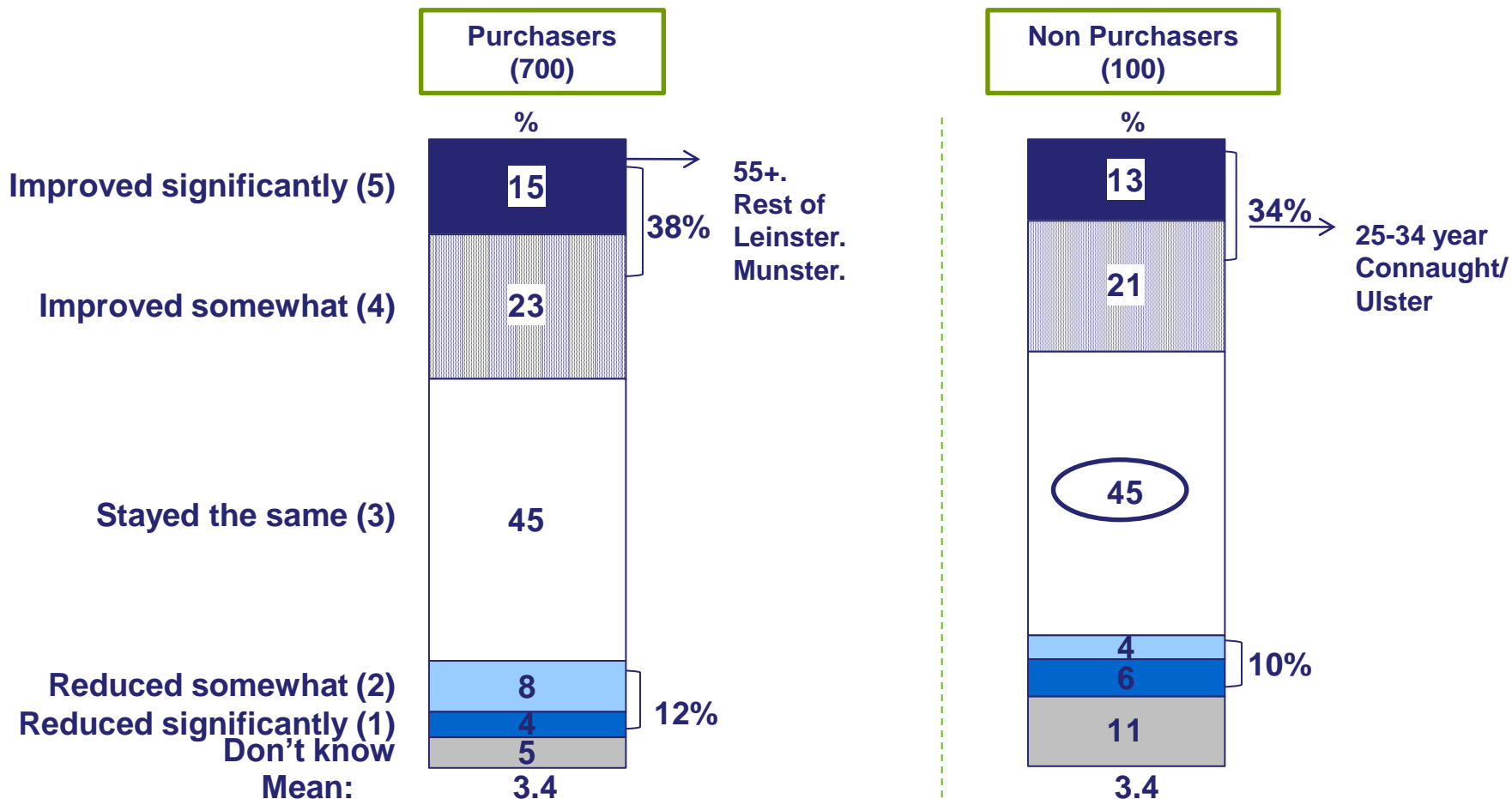
- Lowest prices for plants/flowers (26%)
- Most convenient location to me (23%)
- Mainly for flowers (20%)

Performing poorly on:

- Best for advice on plants (1%)
- Experts in plants/flowers (3%)
- A leisure trip out/a whole experience (3%)
- Mainly for garden furniture/accessories (3%)
- Widest range of plants/flowers (3%)

Value of Plant/Flowers Versus Two Years Ago

(Base: All purchasers & non purchasers of flowers/plants)



Almost 1 in 2 purchasers and non-purchasers do not perceive any change in the value offered of plants/flowers versus two years ago. Almost 2 in 5 purchasers think there has been an improvement, 4% pts higher than non-purchasers.

*Q. Added in 2011



SECTION 5: Importance of Irish-ness

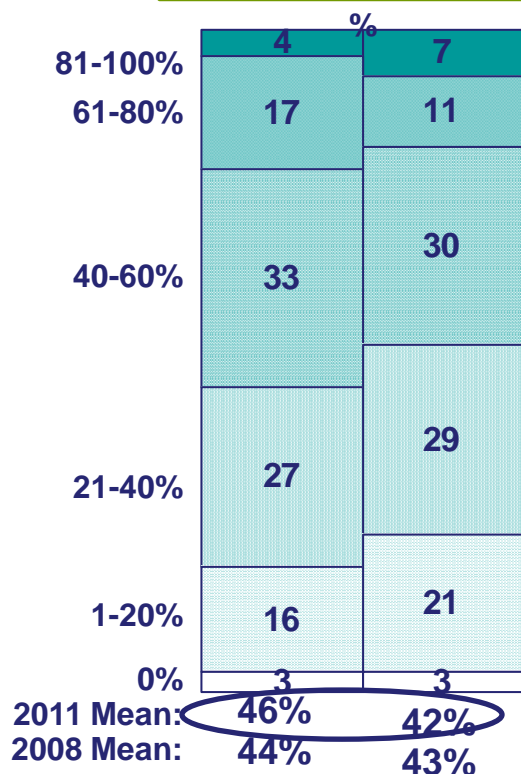


Purchasers Non-purchasers

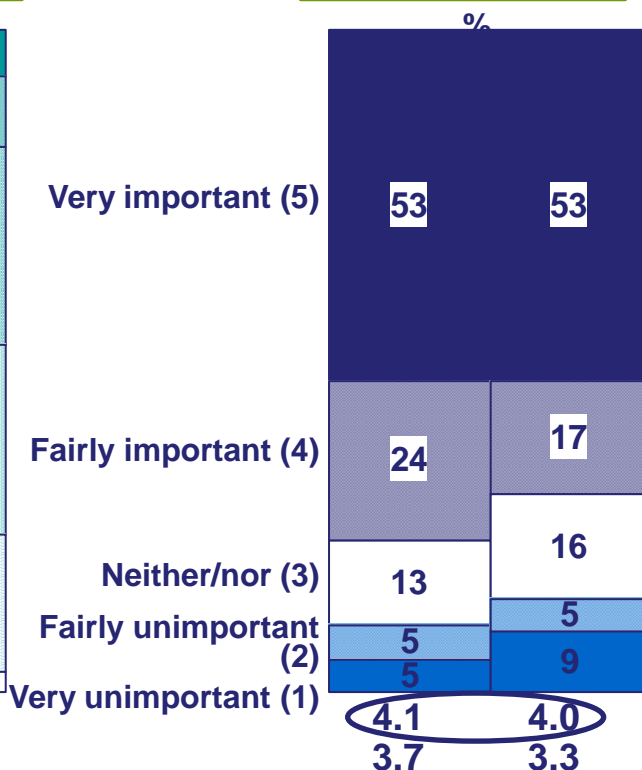
Role of Irish Origin Produce

(Base: All purchasers & non purchasers of flowers/plants)

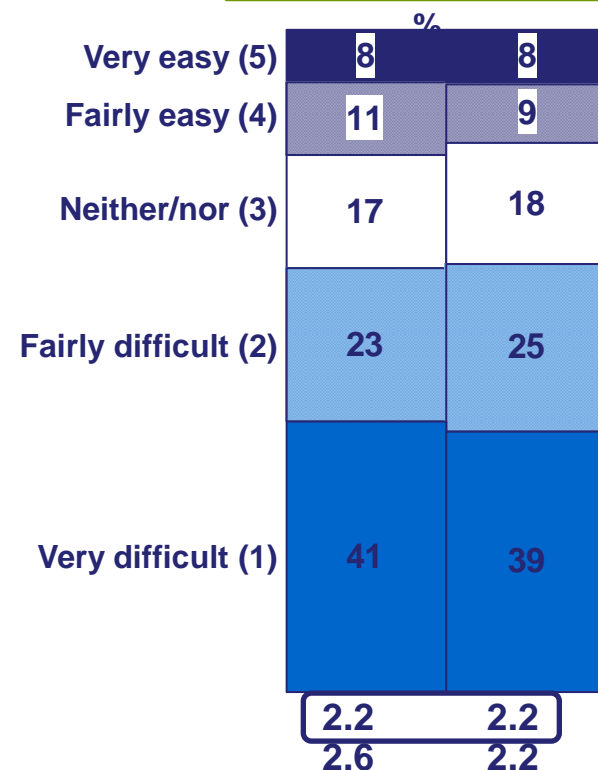
Expected Irish grown produce



Importance of Irish Grown



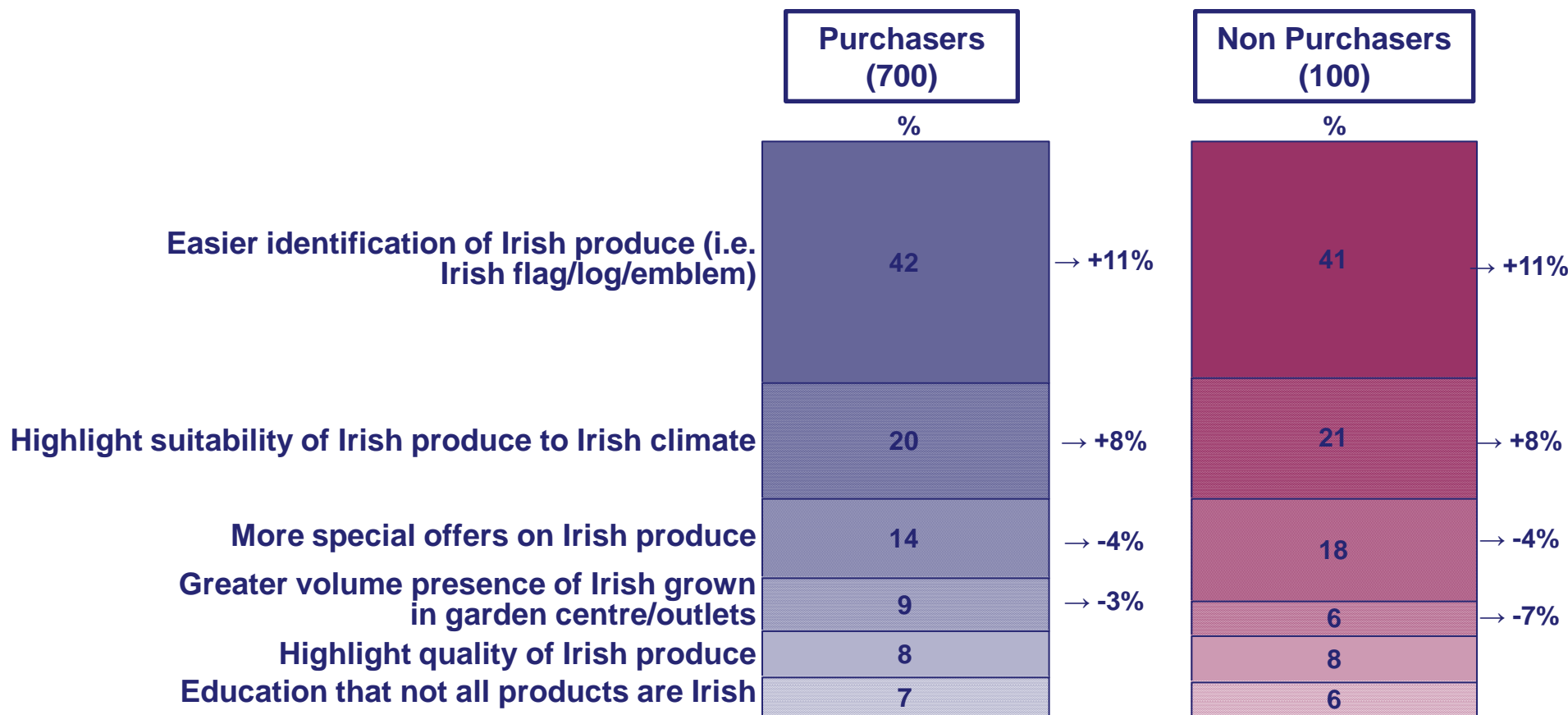
Ease of Identifying Irish Produces



Purchasers have higher awareness than non purchasers that not all flowers/plants sold are grown in Ireland. Positivity importance of Irishness has improved versus '08 with more than 7 in 10 purchasers and non purchasers considering it important. However, high percentage claim to find Irishness hard to identify, and this is more pronounced compared to 2008.

Initiatives to Encourage Purchase of Irish Grown Produce – Volumetric

(Base: All purchasers & non-purchasers of flowers/plants)



Significant increase in demand for identifiable logo or image to show Ireland as country of origin, building on a higher demand for Irish produce to be easily identifiable. Necessary to also highlight suitability of Irish produce as these two elements are highly influential amongst both purchasers and non purchasers.

() = 2008 data

Awareness of Irish-ness



"It's cheaper for the garden centres to get them in a lorry load from Holland than to get a load of flowers from Wexford, say."

"I would like to buy Irish grown plants but only if they're a similar price to the plants I usually buy."

Awareness of Irish grown plants varies by channel and a majority understand that it can be cheaper to import foreign plants than to source & distribute Irish grown products. There is an unwillingness to be patriotic if it is more expensive to do so and the challenge is to clearly demonstrate the benefits and value of Irish grown plants and flowers over imports

There is a mixed perception of the level of Irish grown plants and flowers across different channels

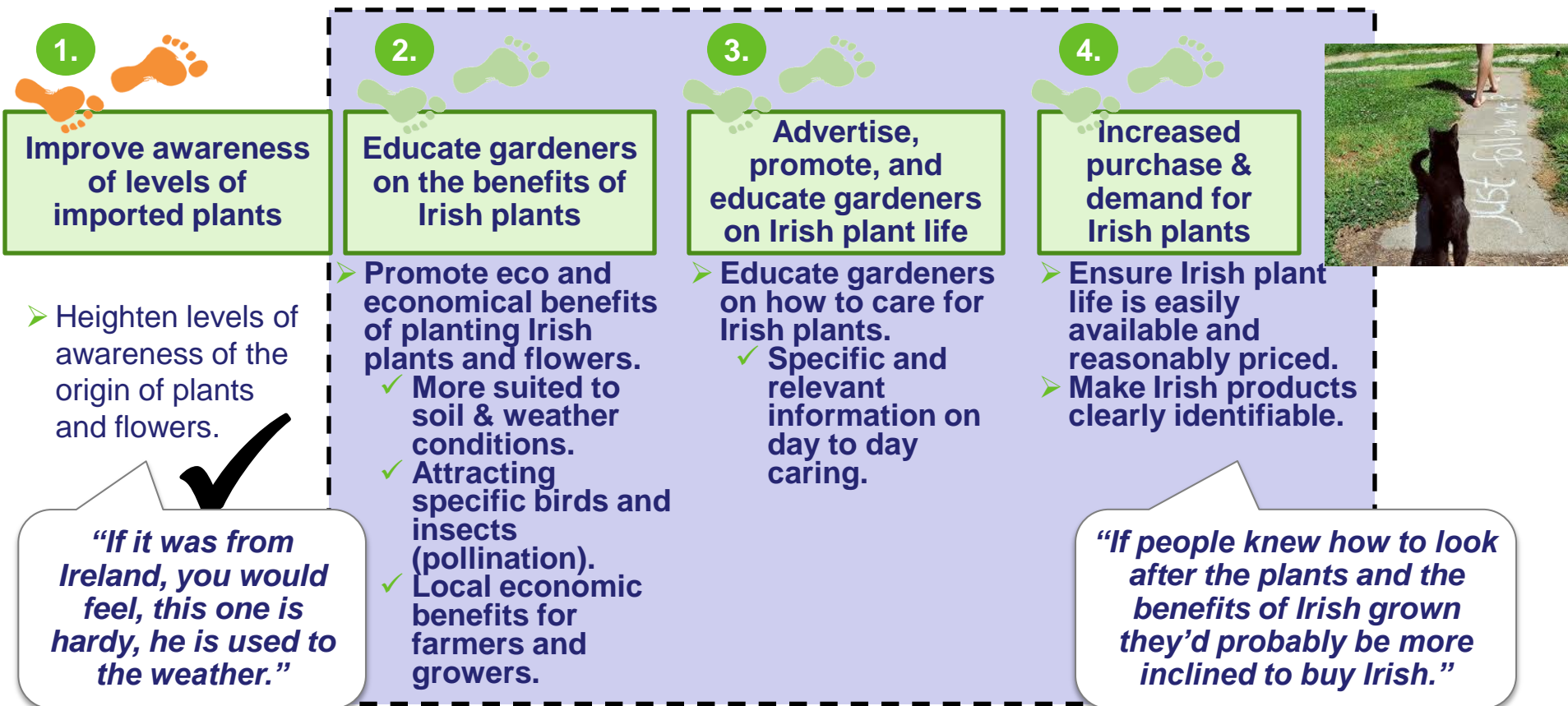


In supermarkets, DIY sheds and discounters there is a perception that the majority of plants and flowers are imported.



For garden centres and nurseries there is a strong feeling that a higher proportion is Irish, with an understanding that there are still some imports. Distinguishing between the Irish versus imports in this setting is difficult for gardeners.

Steps to Increasing Purchase of Irish Plant Life



The majority of gardeners were aware that a high proportion of plant life in garden centres and DIY stores is imported. However, many lack knowledge of the benefits of Irish plants and therefore are not seeking to purchase them.



Key Learning's

Key Learnings

1. Less expensive flowers and plants becoming more popular in a quest for greater value.
2. Move away from instant solutions and big ticket items and a return to more wholesome and traditional gardening values.
3. Appetite for innovation to help gardeners cope with gardening in recessionary Ireland.
 - Delivery service, rental of equipment, gardening workshops/demonstrations, loyalty schemes, online catalogue etc.
4. Grow your own a key category of growth that needs to be nurtured and encouraged.
5. Price/cost and visual appeal/aesthetics are the key influencers in purchasing from most categories.
6. Appetite for Irish options needs to be developed and encouraged.