Amenity Sector
Full Year 2018 – Management Report



February 2019

Growing the success of Irish food & horticulture

Bord Bia
Irish Food Board

Report Structure

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  - Garden Products
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Introduction

Background & Objectives

- Ipsos MRBI has been tracking consumer activity and spend in the amenity market since 2001. The objective of the survey is to provide Bord Bia with a tool to measure and track consumer spend, channel of purchase and motivation for purchase across a range of amenity products.
- The amenity sector in this survey covers the following items:



Outdoor and flowering plants: hanging baskets and pre-planted containers, bulbs/flower seeds for planting, trees/hedges, shrubs, bedding plants, herbaceous plants, and herbs, fruit and vegetables for growing yourself.



Indoor potted plants



Fresh cut flowers (including foliage and wreaths)



Garden products: garden treatment (eg: fertilizer, pesticides), peat/bark/soil treatment, garden accessories, paving, decorative stones and gravel, decking, BBQ equipment, garden furniture, gardening tools and equipment, garden structures, garden trellising and fencing, and other items such as sleepers and bricks for building in the garden).

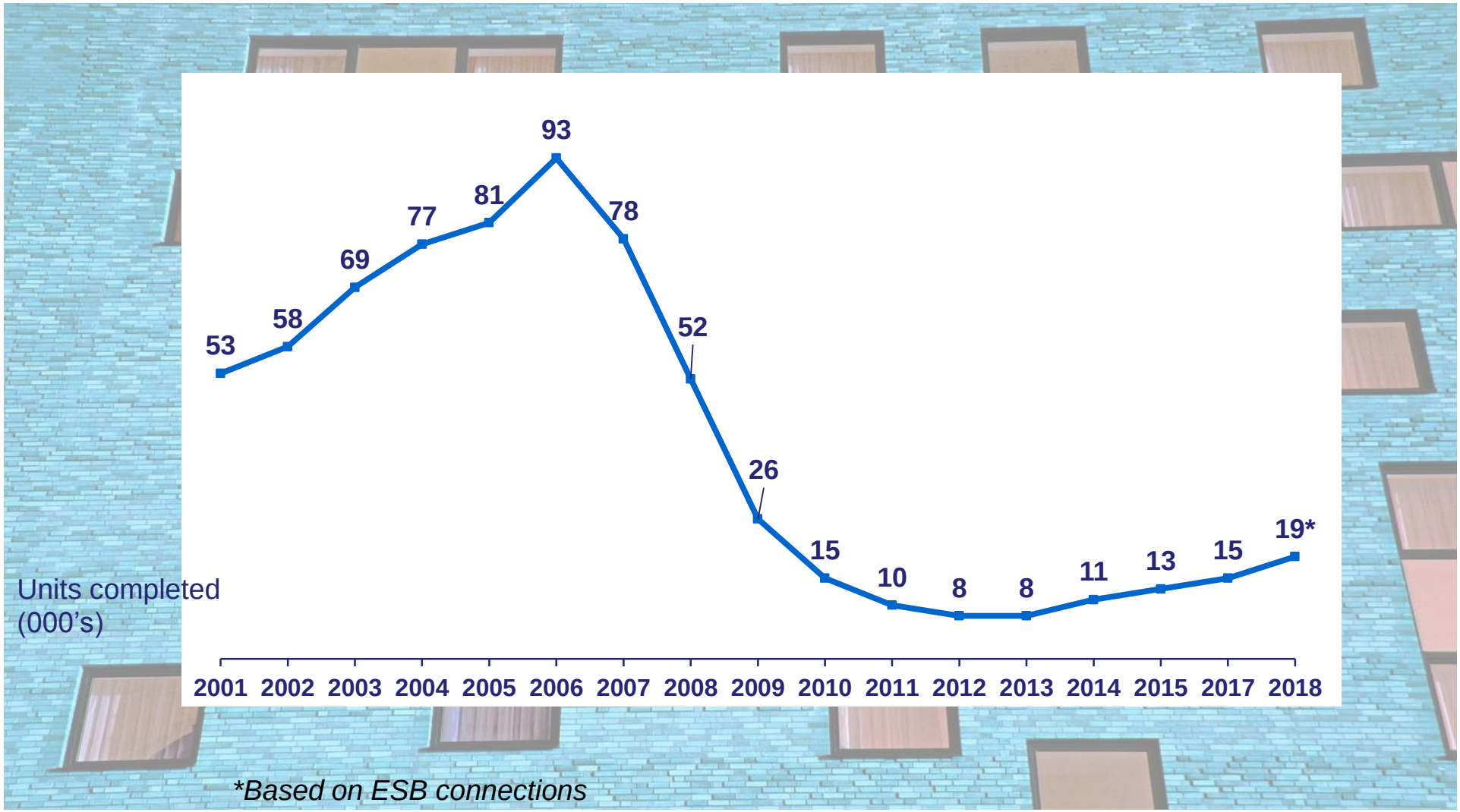

16,000 adults
16 waves



The Thinking House

Bord Bia
Irish Food Board

Demand and supply an ongoing challenge





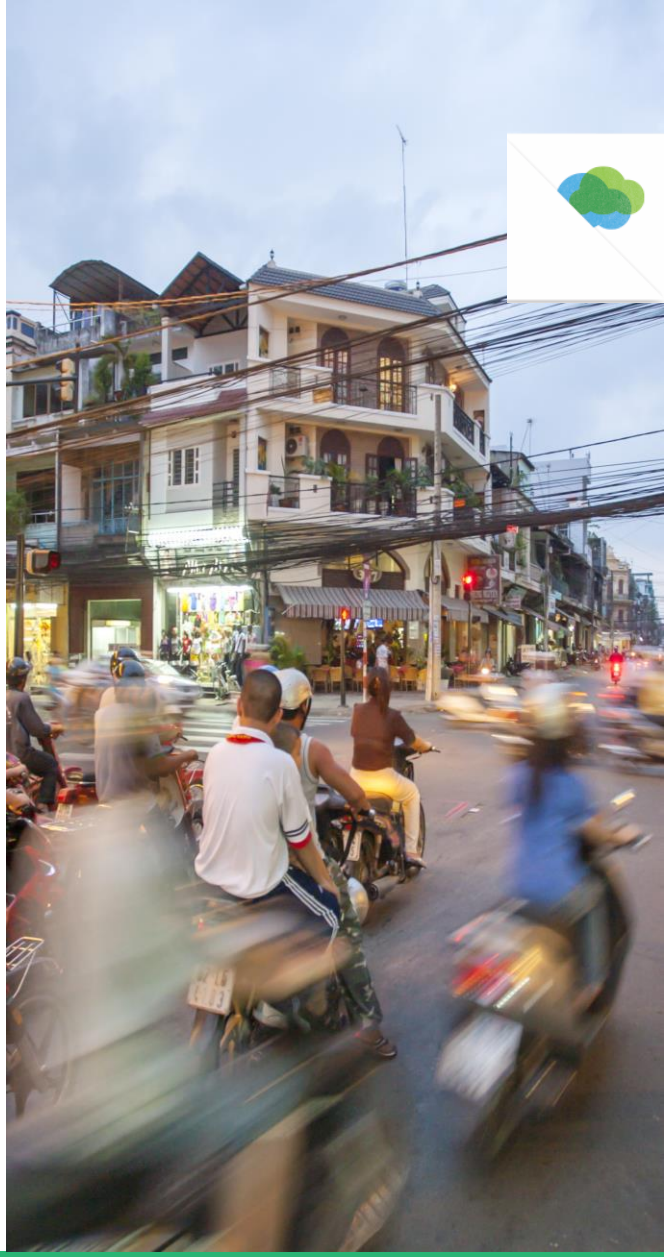
Average age to purchase a house is 34

Rapid Urbanisation

Urbanisation is rapidly increasing, due to significant and sustained rural-to-urban migration. By 2050, two-thirds of the world's population will live in cities, compared with just over half today.[1]

Next 10 Megacities[2]

Lahore, Pakistan	**Dar es Salaam**, Tanzania
Hyderabad, India	**Ahmanabad**, India
Bogotá, Colombia	**Luanda**, Angola
Johannesburg, South Africa	**Ho Chi Minh City**, Viet Nam
Bangkok, Thailand	**Chungdu**, China



Redefining of ‘Old Age’

The perception of ‘old age’ is changing drastically, driven by longer life expectancy and increasing wealth levels of older populations. Older people have more economic clout and social influence, breaking down the traditional limitations placed upon older people.

The global population age 60-and-over will encompass more than

1 in 5

human beings by 2050[4]

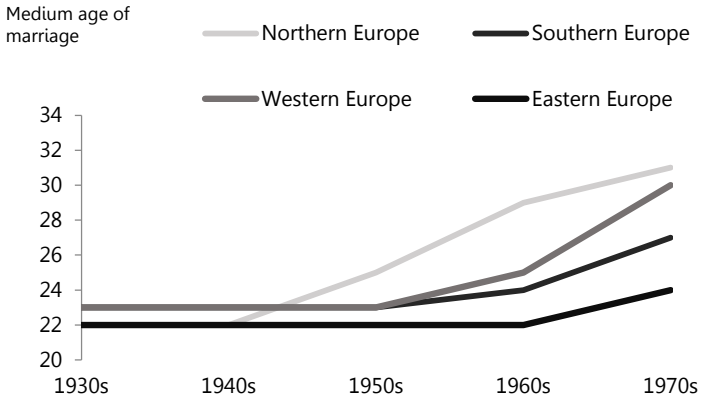


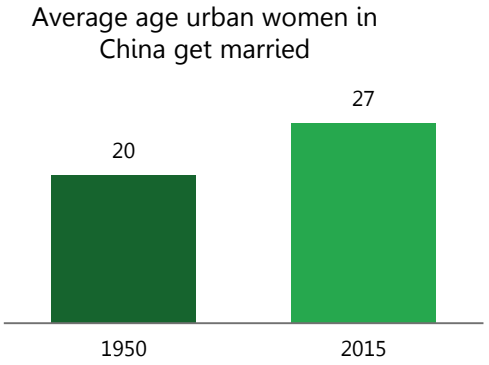
The number aged 65 plus has grown by 75% since 2001

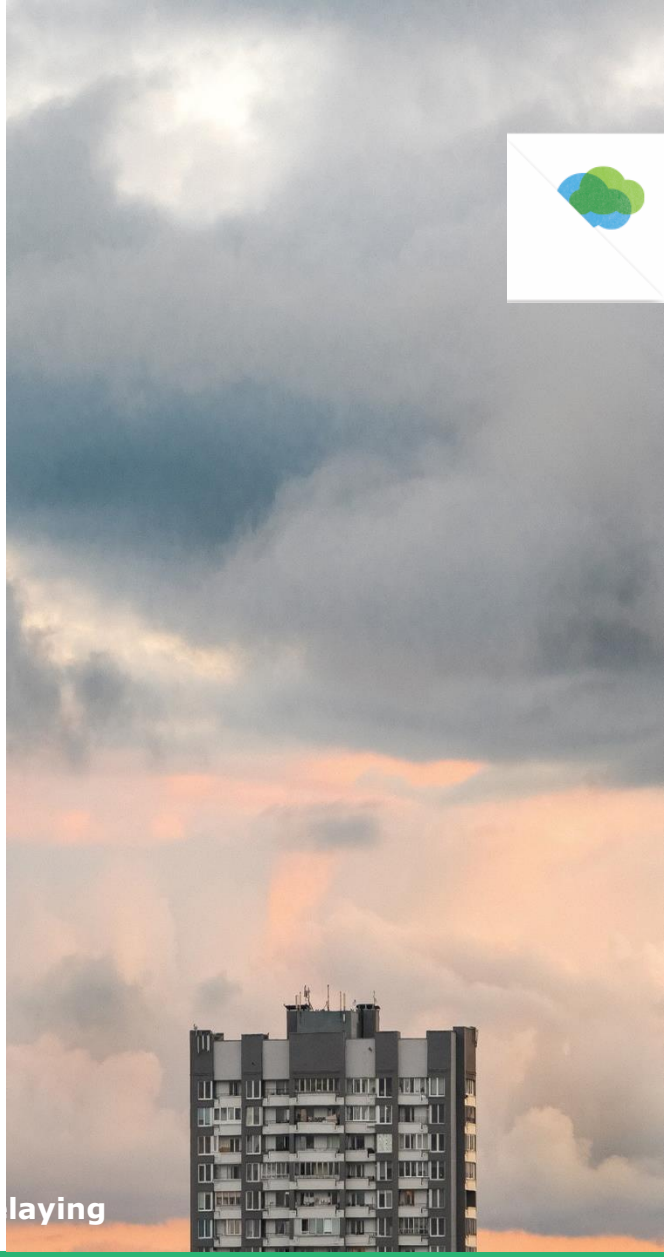


Changing life stages and household structures

The pursuit of traditional life-stages – getting married, living with a spouse, and having children – is being decelerated, as consumers pursue a wider range of lifestyles. Household structures and sizes are diversifying as a result.

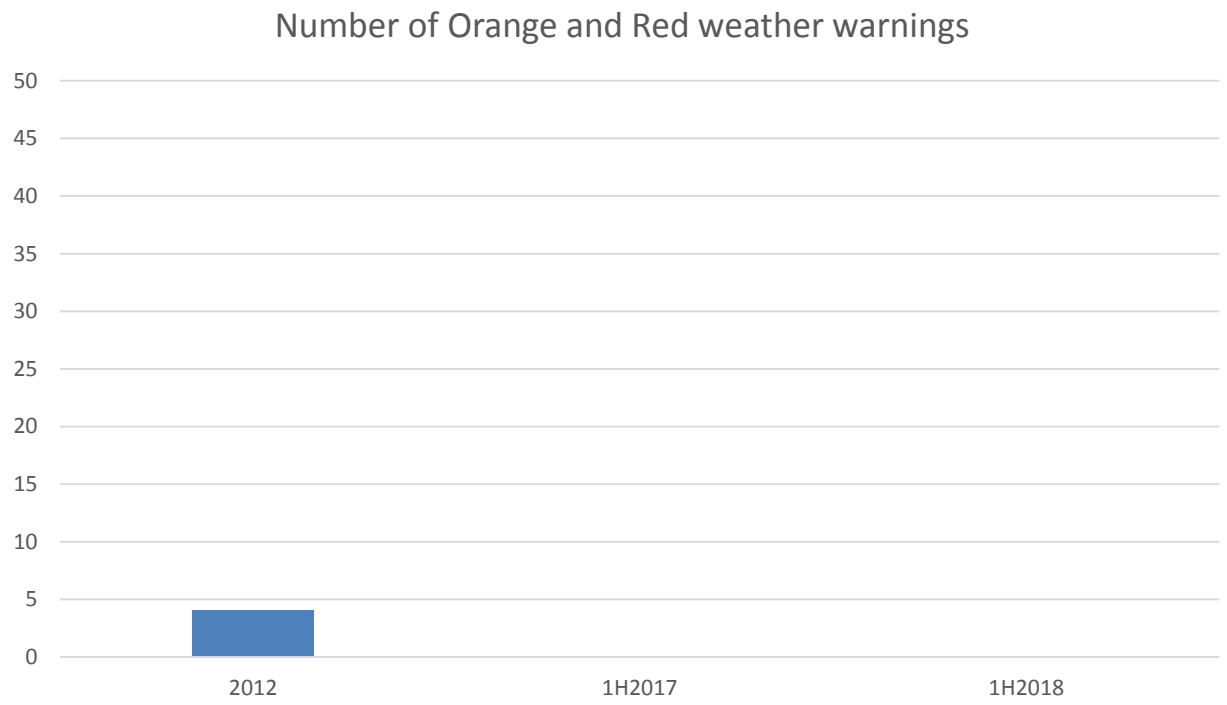






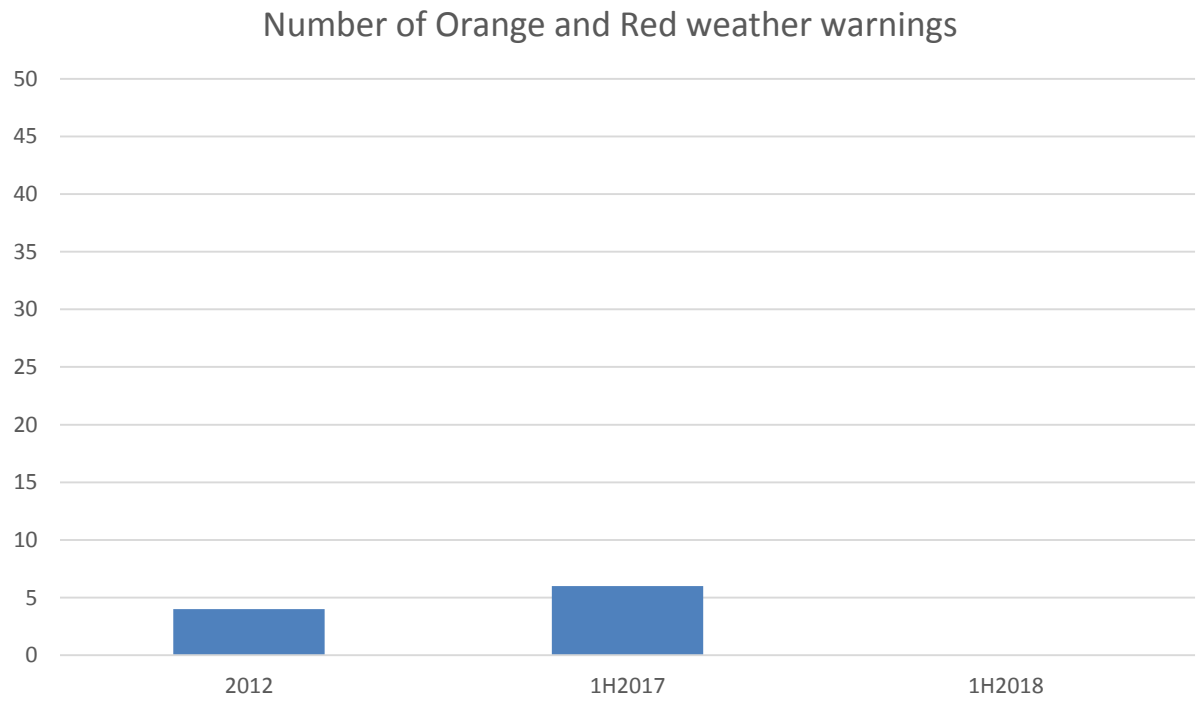
Weather..

Extreme and unpredictable weather challenges



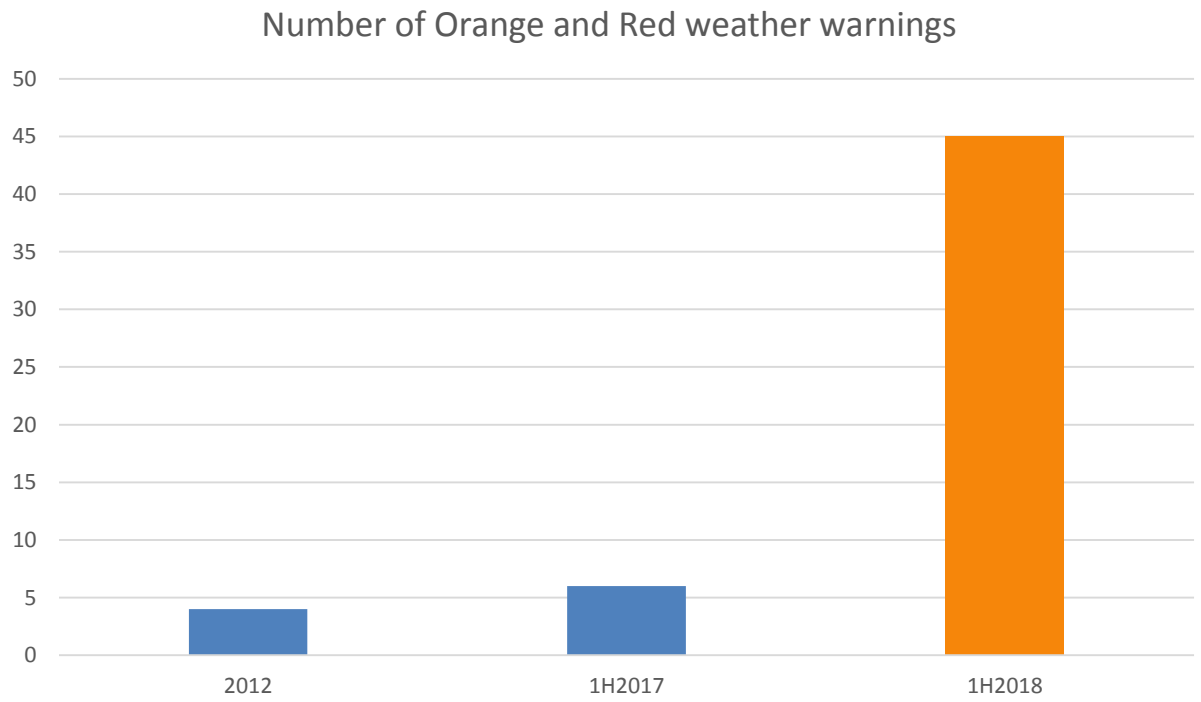
Weather..

Extreme and unpredictable weather challenges



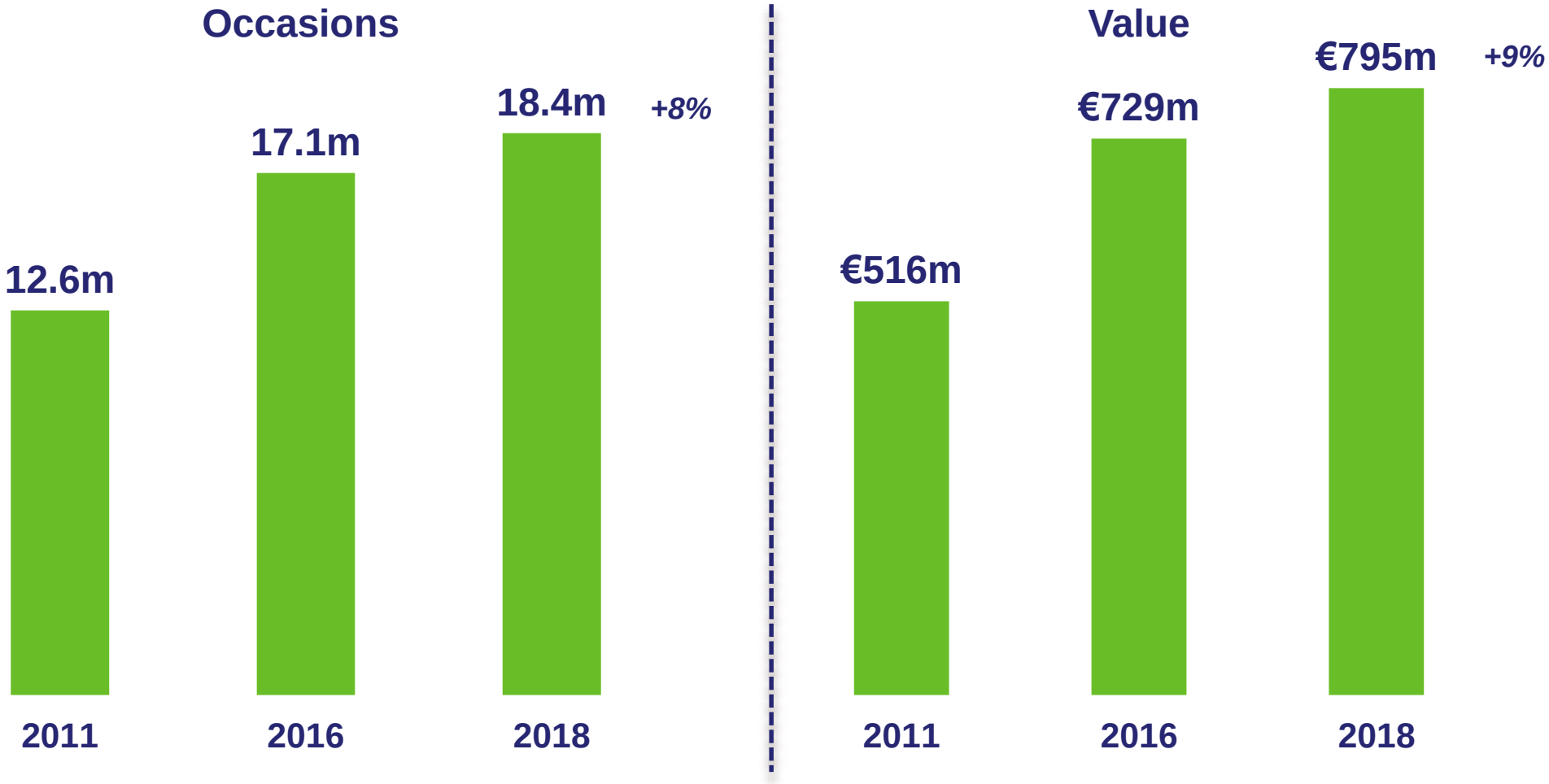
Weather..

A significant number in 2018!

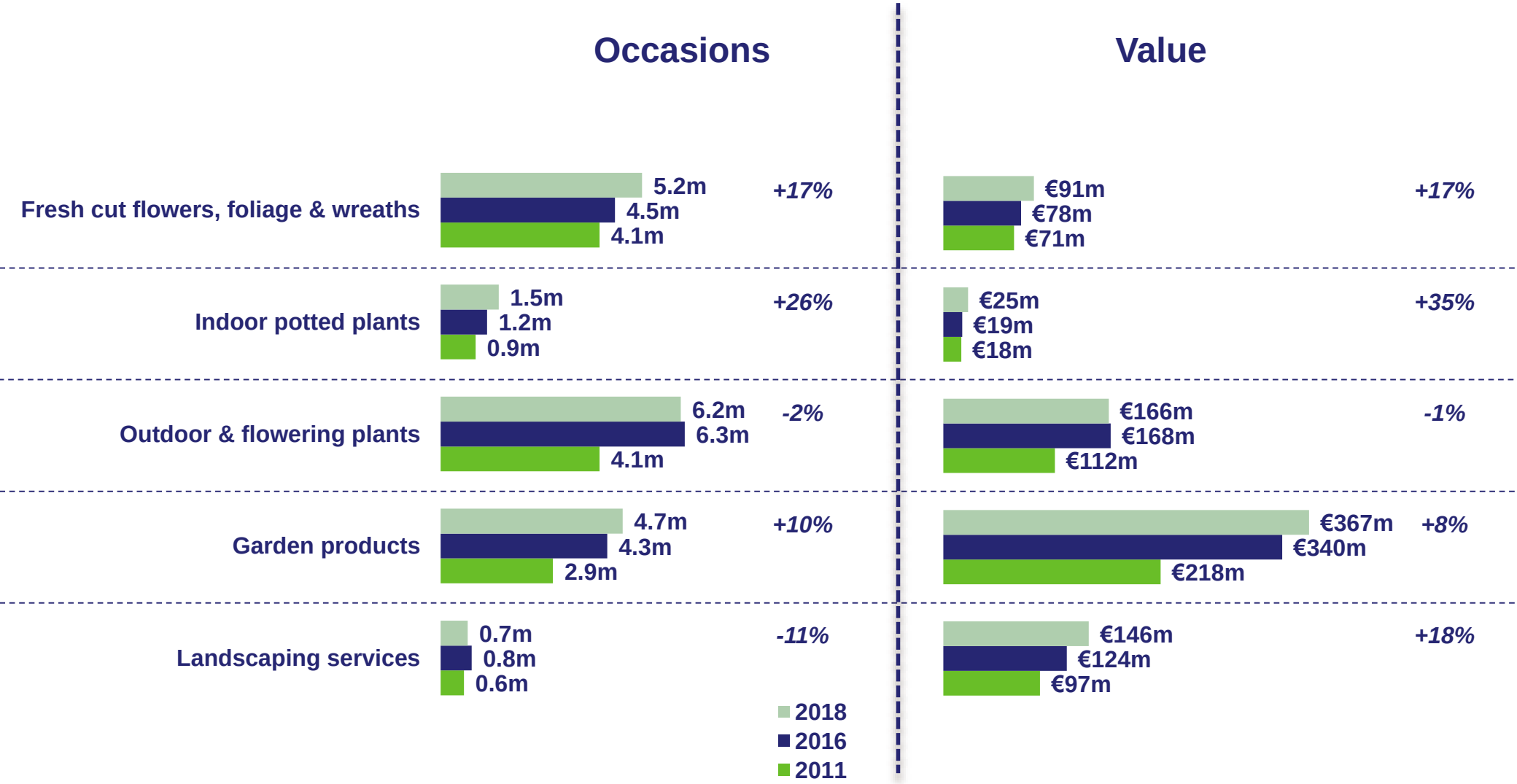


A look at the overall market

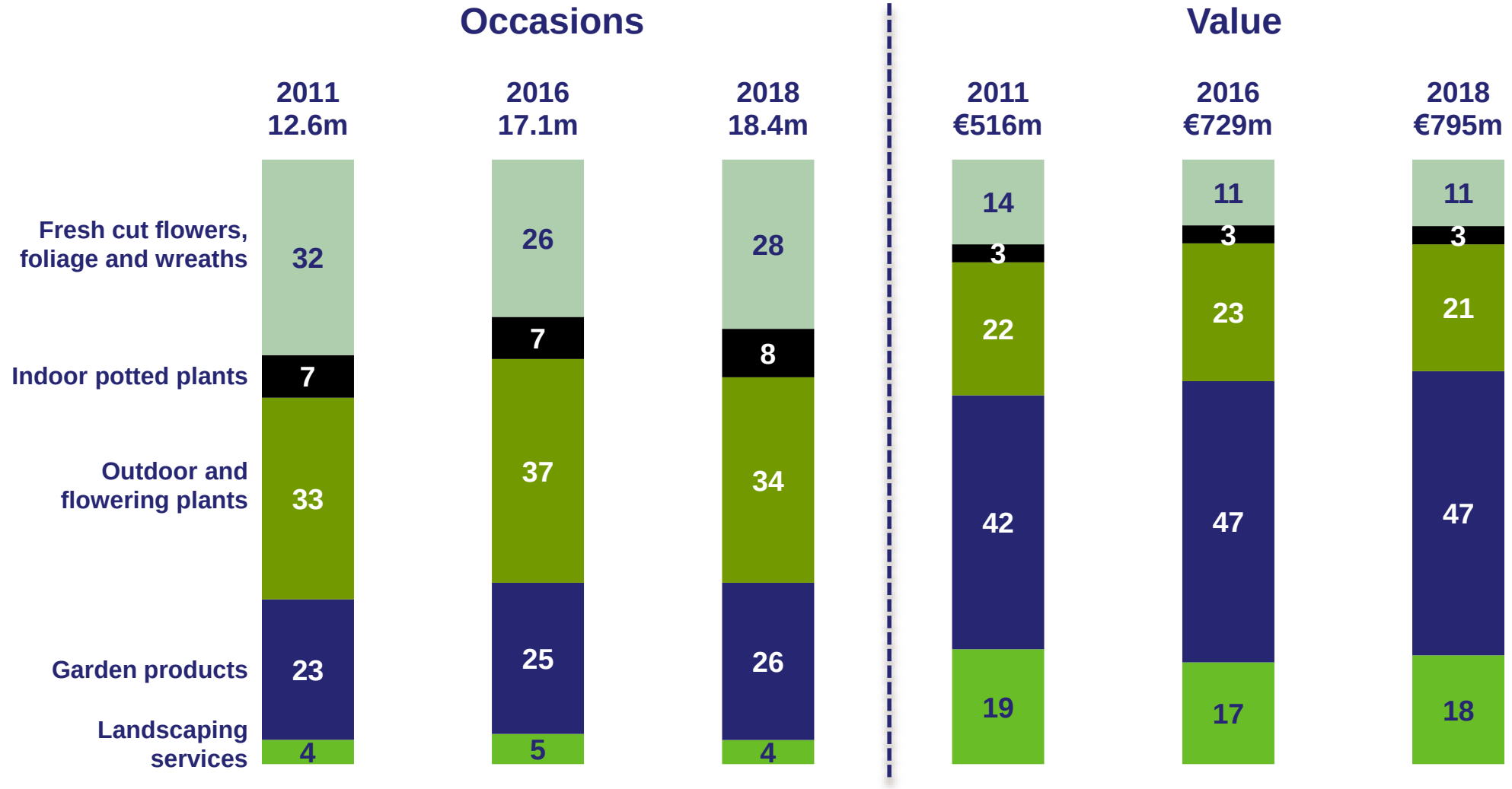
The market is holding its own



Amenity Market Size X Category



Amenity Market Size – Share of Market



Amenity Market* X Share of Channel



**Excludes landscaping services*

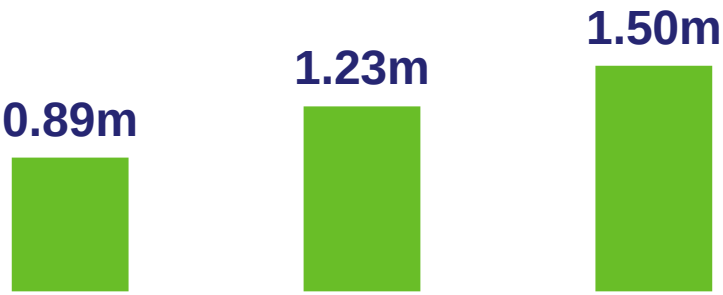
Indoor Potted Plants

[Indoor potted plants (e.g. orchids, geraniums, spider plants, fig plants, cordyline)]



Indoor Potted Plants – Summary

Occasions



	2011	2016	2018
Per capita	.25	.34	.41

Value



2011	2016	2018
€5	€5.13	€6.64

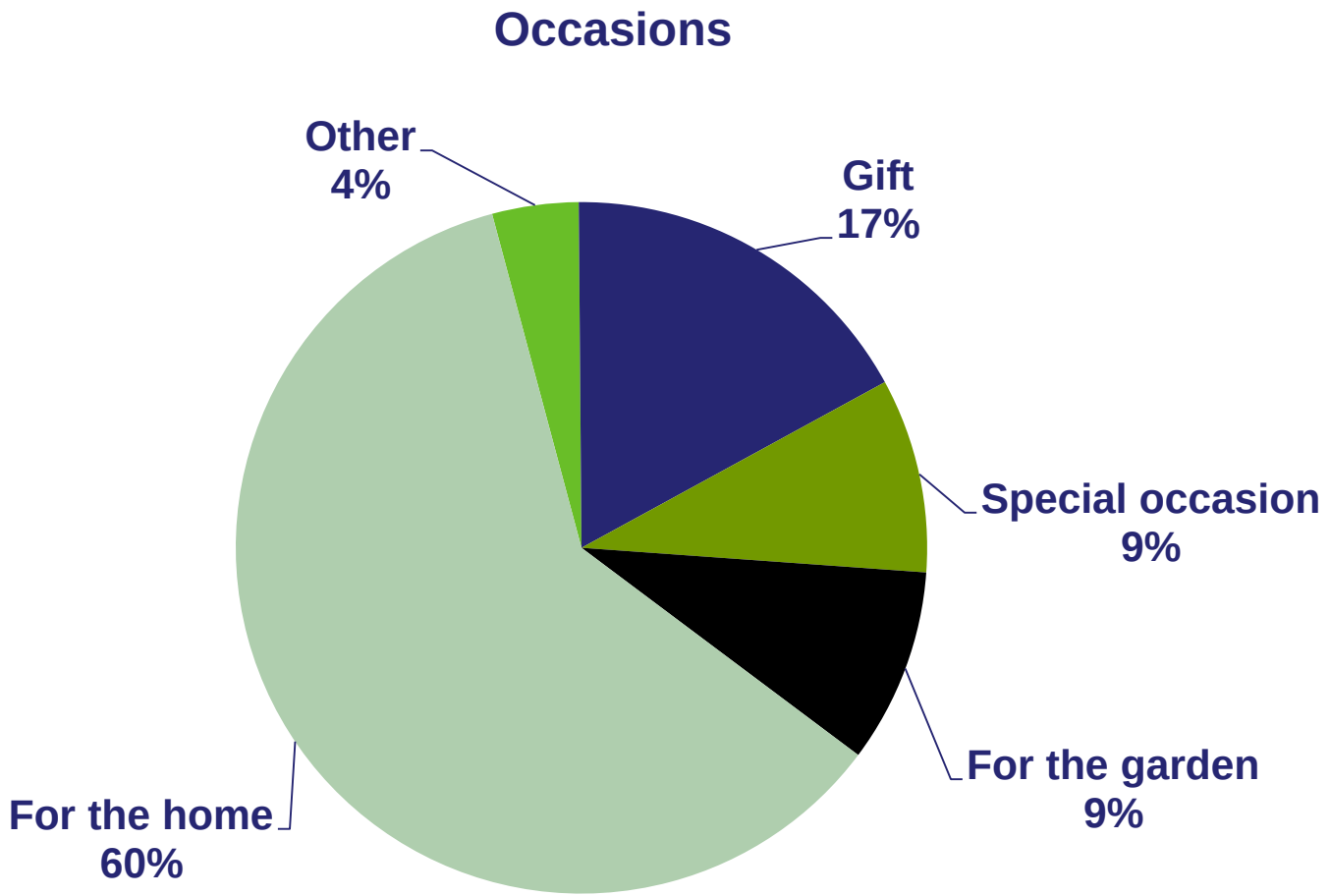
Spend per purchase occasion



Key Demographics

- **30% of spend on indoor potted plants is made by U35s; the profile of purchasers is less marked by age than previously observed.**
- **Discounters and supermarkets account for almost 4 in 10 purchases, but Independent Garden Centres and DIY stores, account for 59% of the market value.**

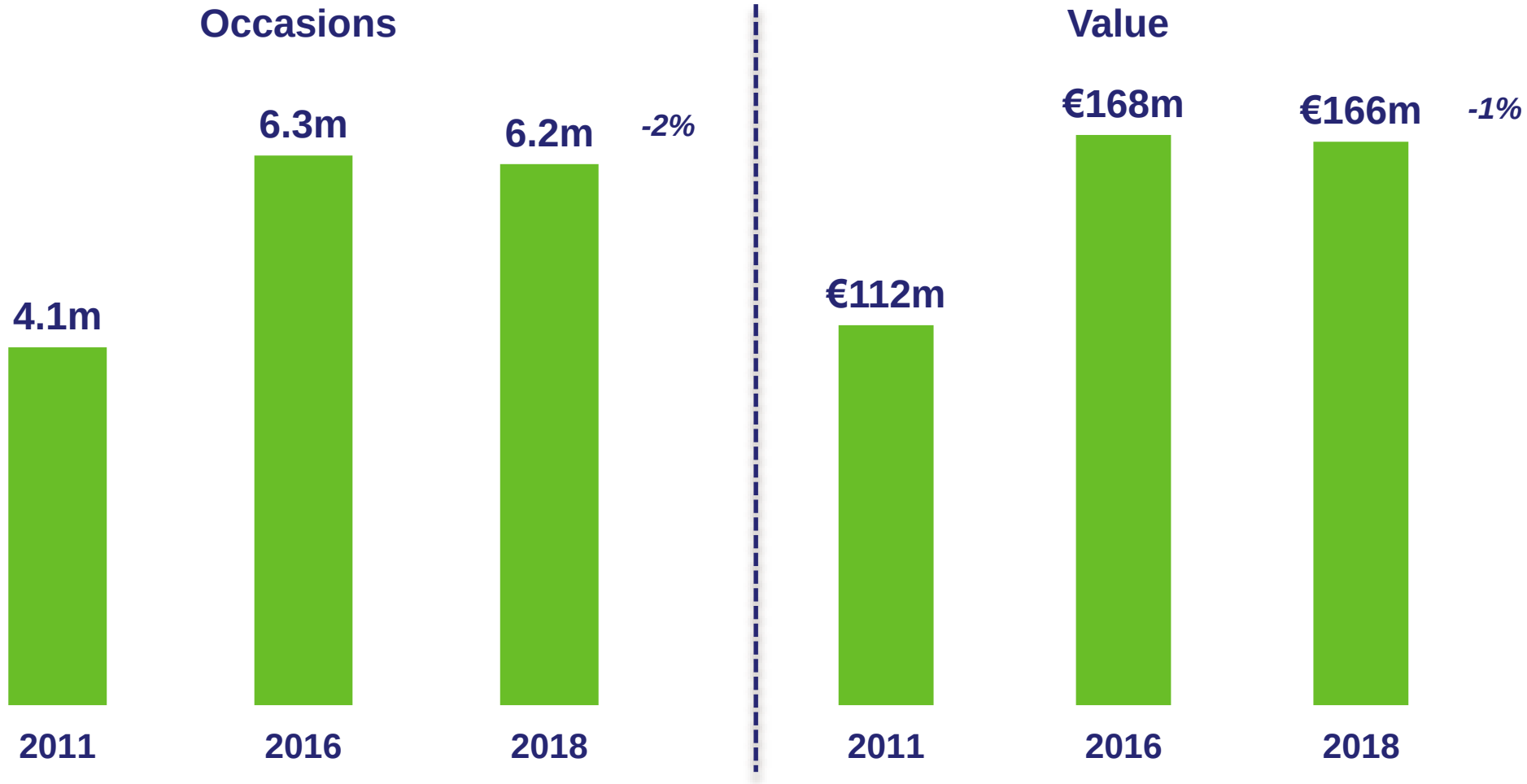
Reasons For Purchasing Indoor Potted Plants - Occasions



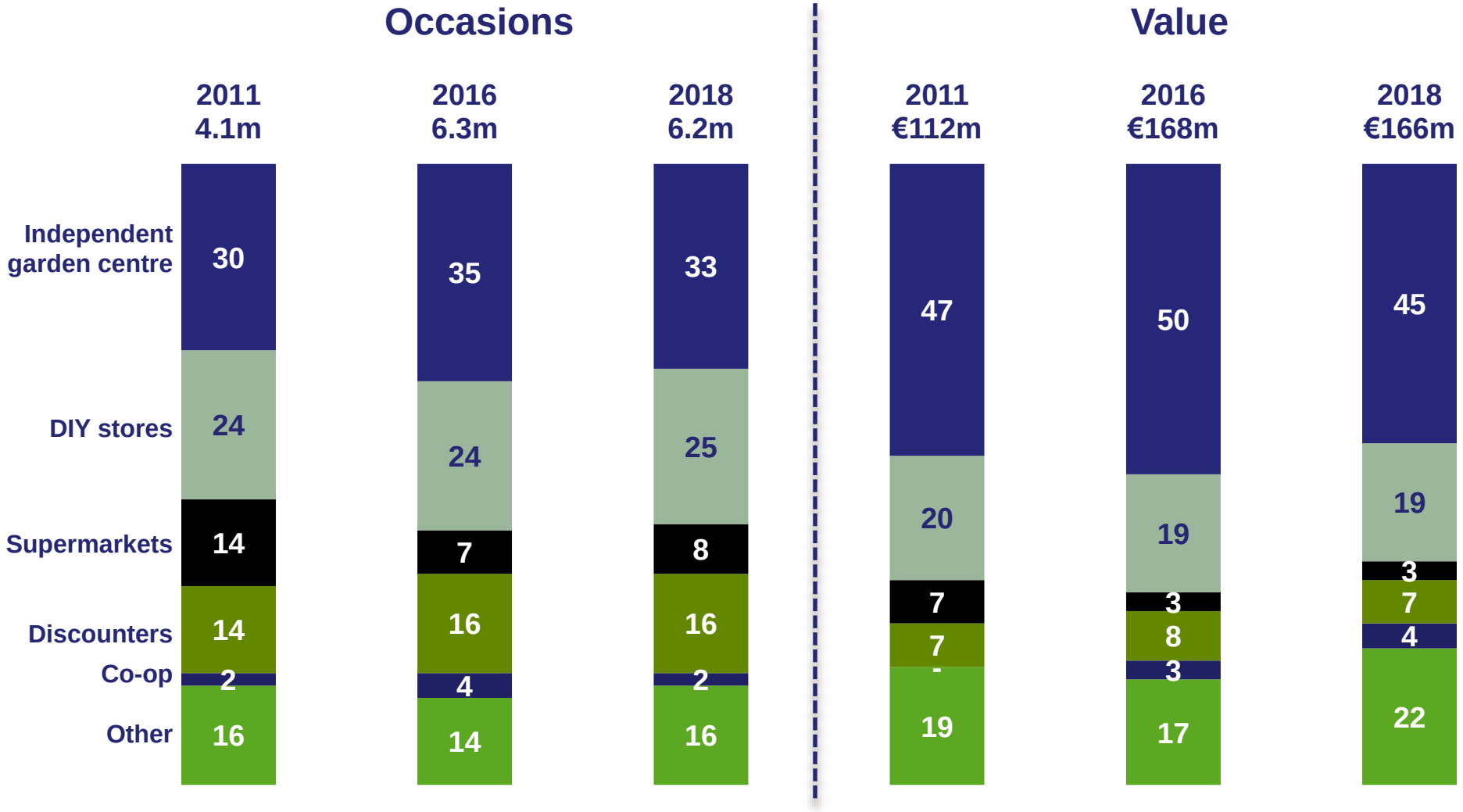
Outdoor And Flowering Plants



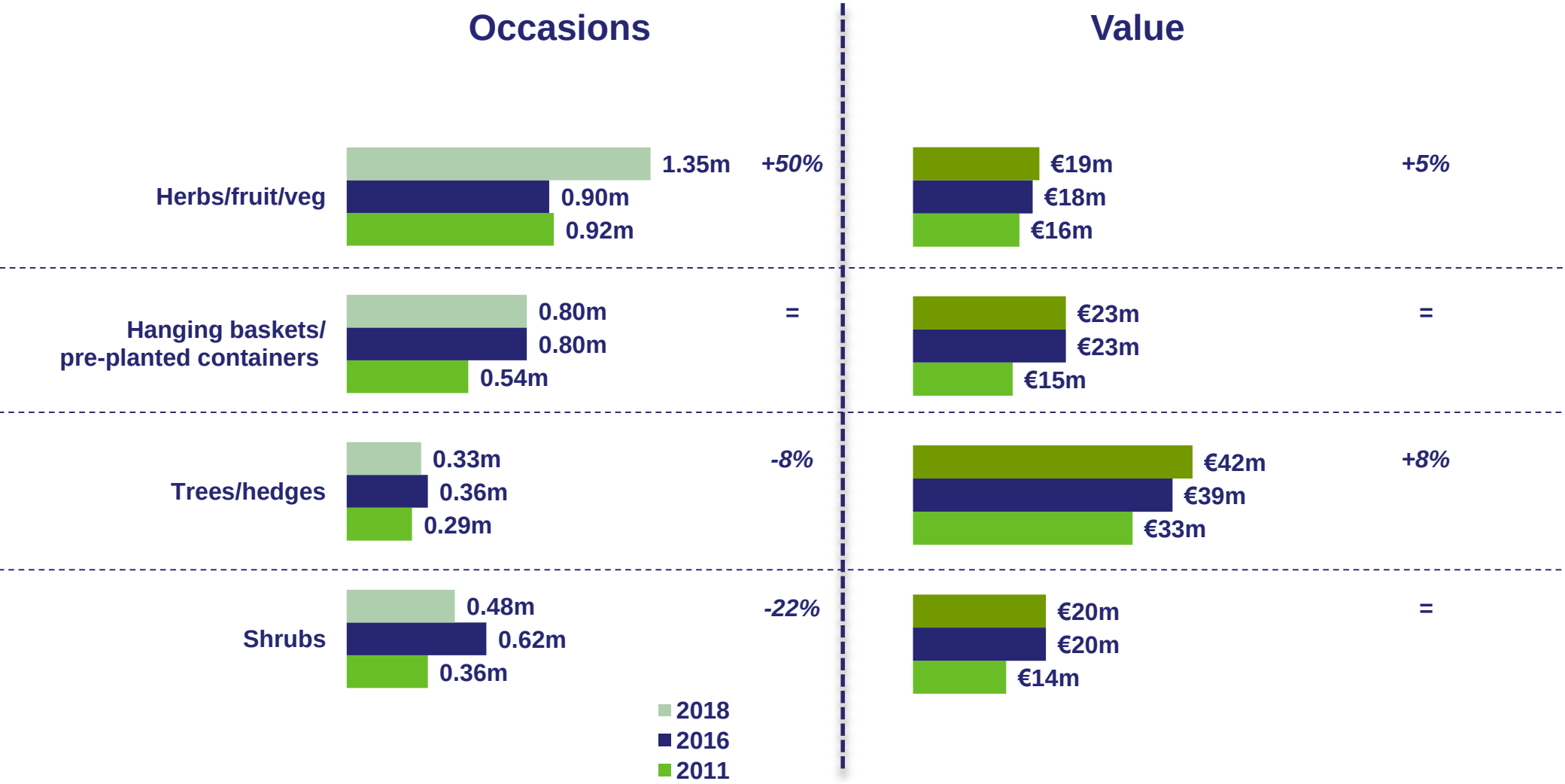
Outdoor & Flowering Plants – Total



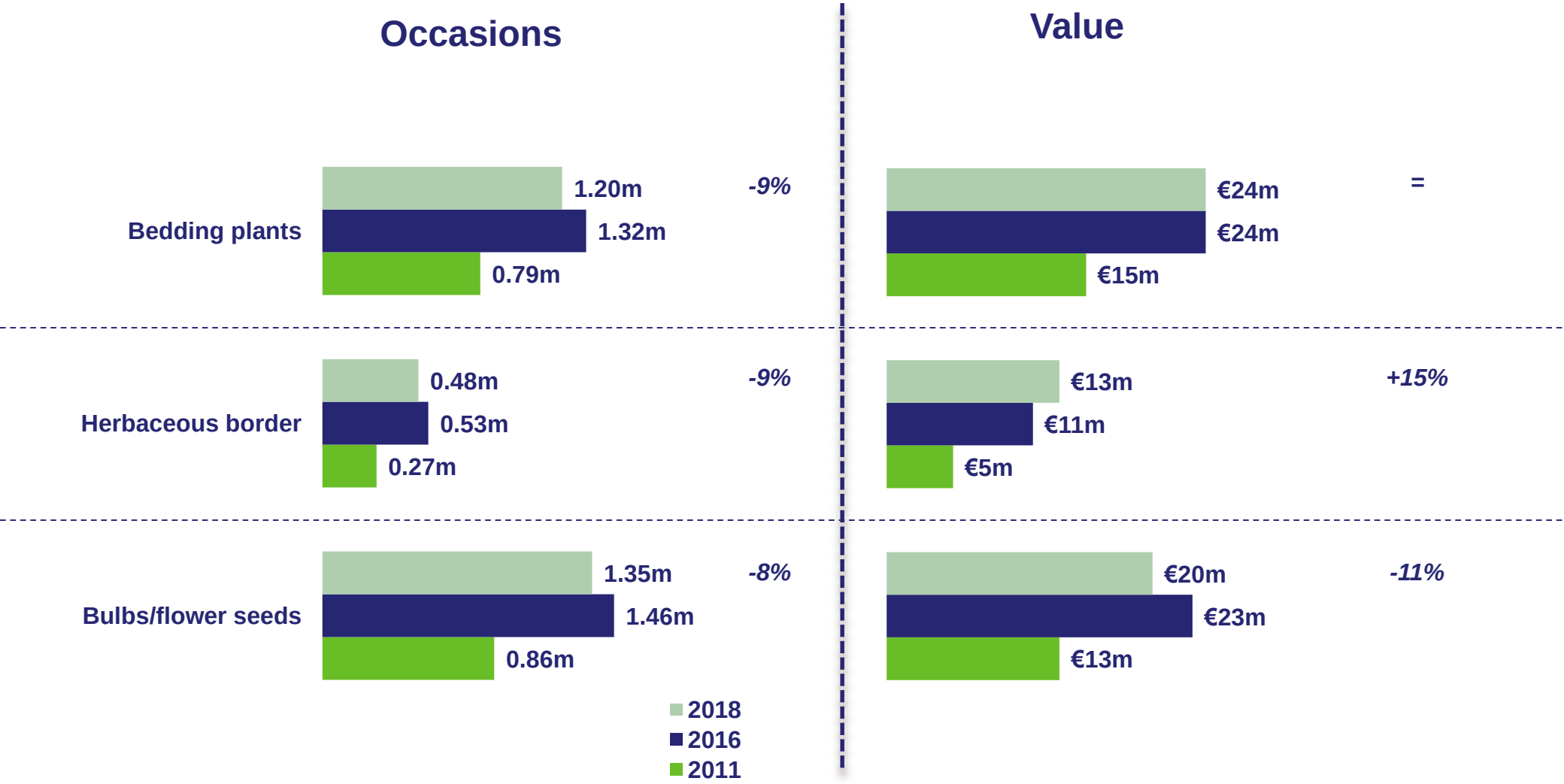
Outdoor & Flowering Plants X Share of Channel



Outdoor & Flowering Plants: Products Breakdown #1



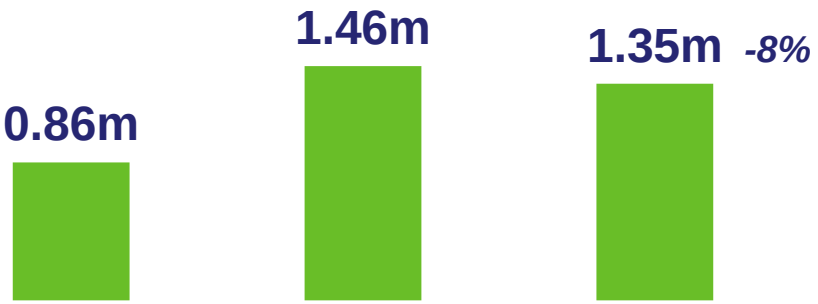
Outdoor & Flowering Plants: Products Breakdown #2



Outdoor & Flowering Plants X Product
(i) Bulbs/Flower Seeds For Planting



Occasions



	2011	2016	2018
Per capita	.24	.40	.36

Value



2011	2016	2018
€3.70	€6.30	€5.34

Spend per purchase occasion



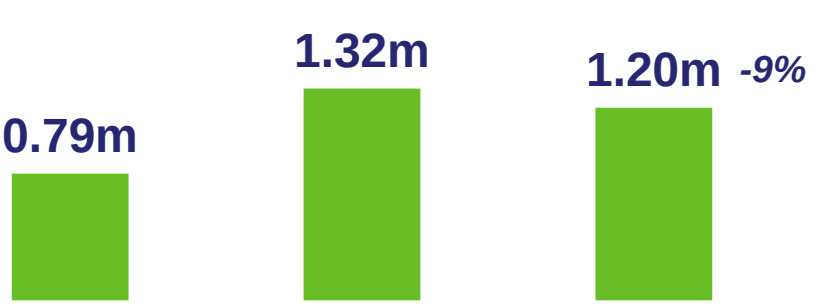
Key Demographics

- Somewhat older profile.
- 46% of spend is by those over 55.
- I in 5 purchases through discounters, though garden centres still account for the largest share of spend (38%).

Outdoor & Flowering Plants X Product
(ii) Bedding Plants



Occasions



	2011	2016	2018
Per capita	.23	.36	.32

Value



2011	2016	2018
€4.27	€6.60	€6.25

Spend per purchase occasion



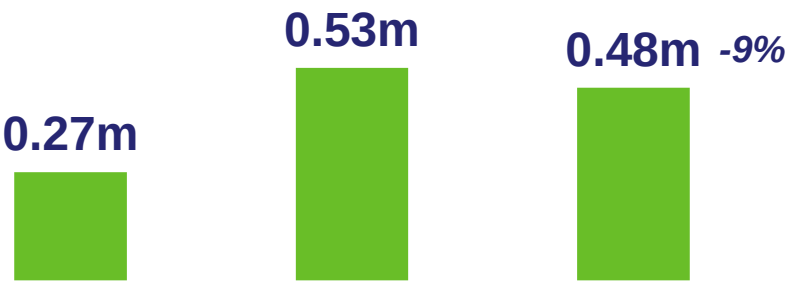
Key Demographics

- Bedding plants buyers exhibit a profile which is female oriented.
- 52% of spend is by those aged 55 or over.
- Garden centres account for the largest share of purchasing occasions and spend.
- DIY stores are the main competitor, with a quarter of all spend.

Outdoor & Flowering Plants X Product
(iii) Herbaceous Border Plants



Occasions



	2011	2016	2018
Per capita	.077	.15	.13

Value



	2011	2016	2018
	€1.42	€3.03	€3.46

Spend per purchase occasion



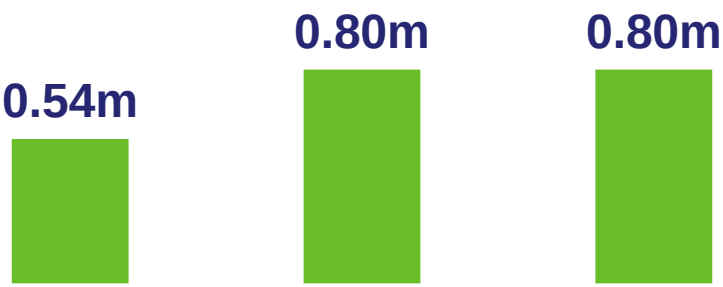
Key Demographics

- Two thirds of purchases are by women.
- More than half of purchases and spend made by those over 55, though value is slightly less skewed by age.
- More than half of all spend is through Independent Garden Centres.

Outdoor & Flowering Plants X Product
(iv) Hanging Baskets & Pre-planted Containers



Occasions



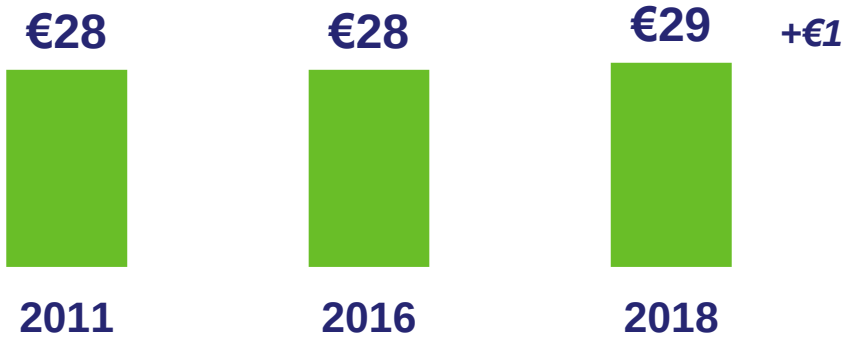
	2011	2016	2018
Per capita	.15	.22	.21

Value



2011	2016	2018
€4.27	€6.19	€6.10

Spend per purchase occasion



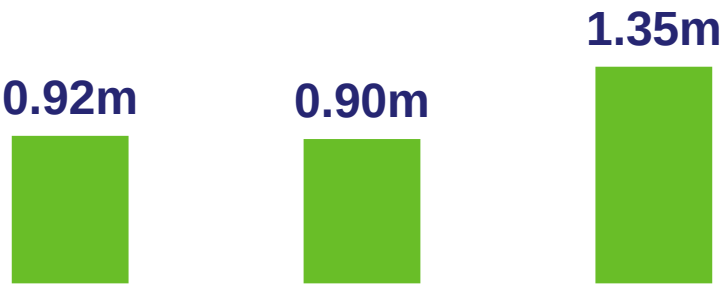
Key Demographics

- The appeal of hanging baskets and pre-planted containers is broadly spread demographically.
- A fifth of all spend is by those aged under 34 but 4 in 10 purchases and spend is by over 55s.
- Garden centres and DIY stores are the key outlets for purchasing these products.
- 40% of spend is channelled through Independent Garden Centres.

Outdoor & Flowering Plants X Product
(v) Herbs, Fruit & Vegetables For Planting



Occasions



	2011	2016	2018
Per capita	.26	.25	.36

Value



2011	2016	2018
€4.56	€4.88	€4.91

Spend per purchase occasion



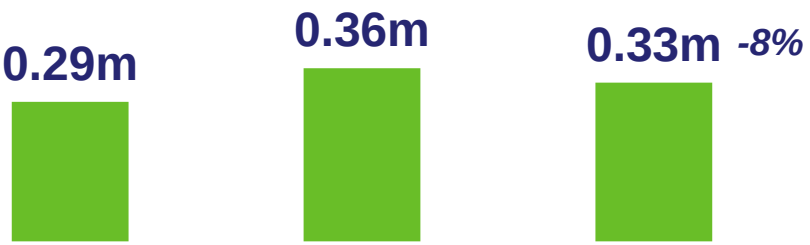
Key Demographics

- Herbs fruit and vegetables for growing yourself are slightly younger in profile – almost half of all spend on these products is by those under 35's.
- Purchasing is broadly spread across the main channels, though a third of spend is through Independent Garden Centres.

Outdoor & Flowering Plants X Product
(vi) Trees/Hedges



Occasions



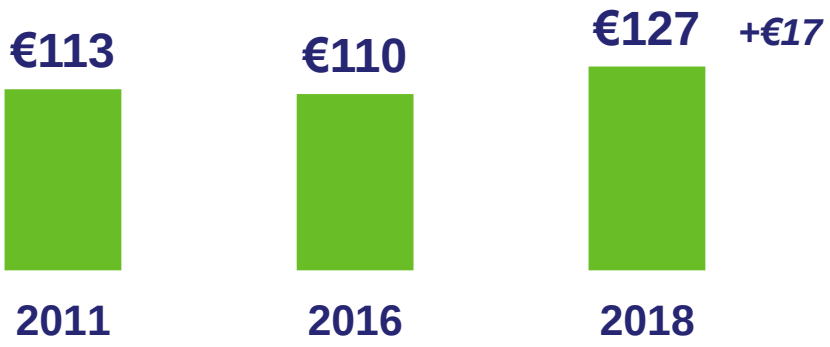
	2011	2016	2018
Per capita	.08	.10	.09

Value



2011	2016	2018
€9.40	€10.81	€11.08

Spend per purchase occasion



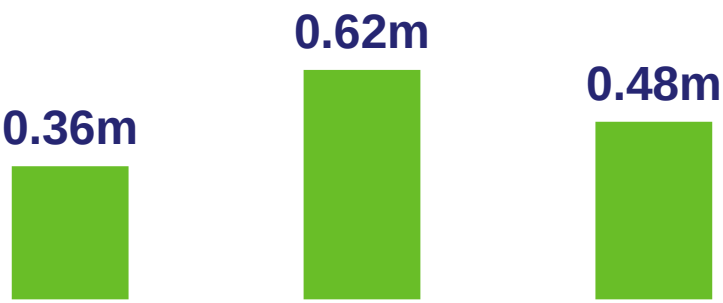
Key Demographics

- Trees and hedges are more likely to be bought by men.
- The profile is relatively younger, with 39% of spend by U35s.
- Spend exhibits a middle class bias.
- Independent Garden Centres are the primary channel for Trees/Hedges. Retails nurseries account for 15% of spend.

Outdoor & Flowering Plants X Product
(vii) Shrubs



Occasions



	2011	2016	2018
Per capita	.10	.17	.13

Value



2011	2016	2018
€3.99	€5.55	€5.25

Spend per purchase occasion



Key Demographics

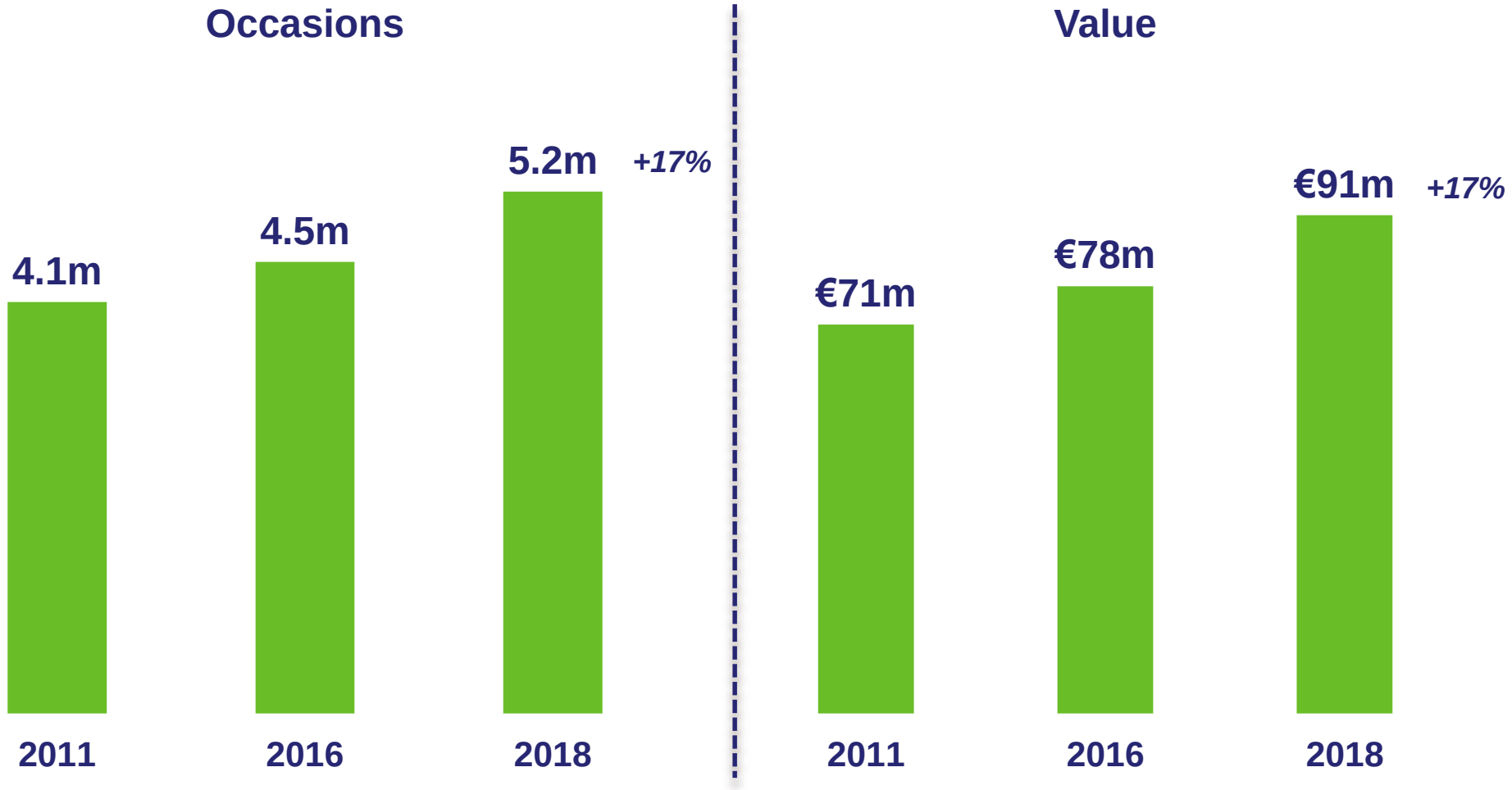
- Like trees and hedges, the profile of spend on shrubs is more male, and middle class.
- However, spend on shrubs has an older bias – half of all purchase occasions are by those aged 55 or over.
- The majority of spend on shrubs is through independent Garden Centres.

Fresh Cut Flowers

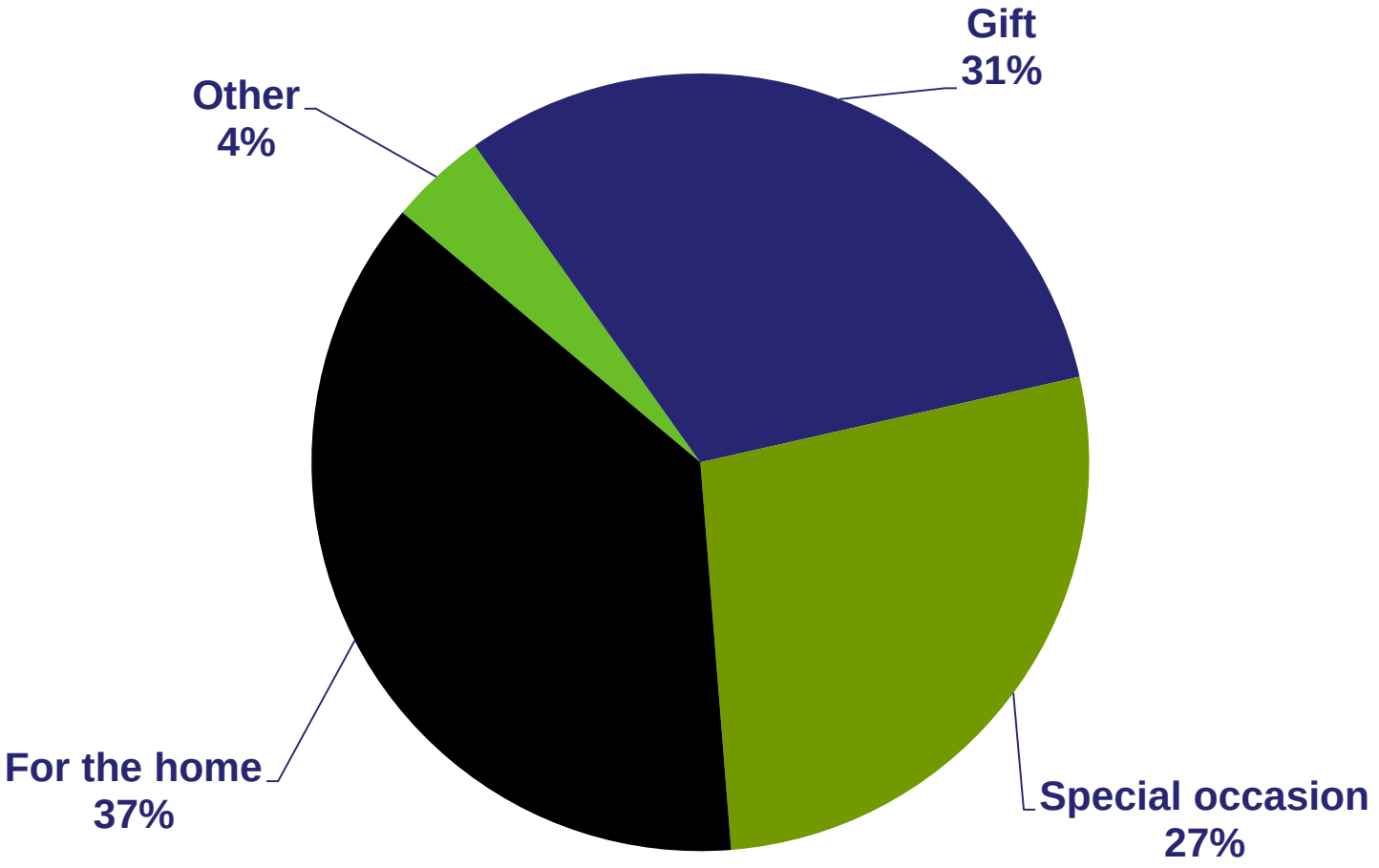


Growing the success of Irish food & horticulture

Fresh Cut Flowers, Foliage & Wreaths: Total

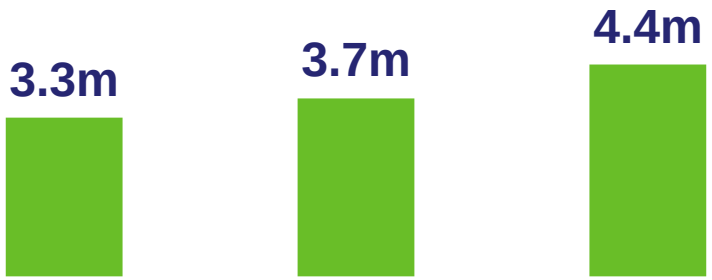


Reasons For Purchasing Fresh Cut Flowers Occasions



Fresh Cut Flowers Market*

Occasions



	2011	2016	2018
Per capita	1.1	1.02	1.16

Value



2011	2016	2018
€16.87	€15.53	€18.31

Spend per purchase occasion



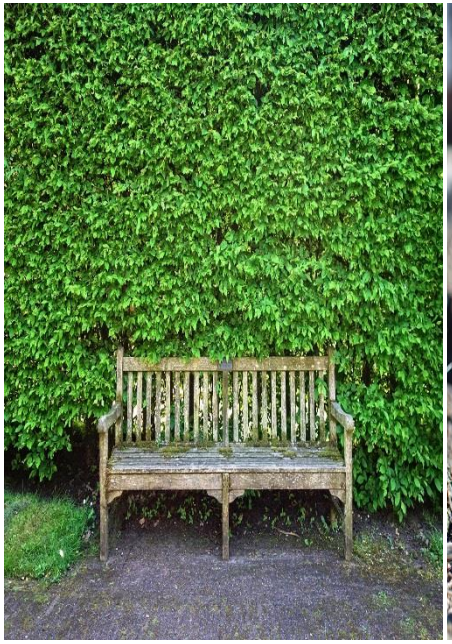
2011 2016 2018

**Excludes foliage & wreaths*

Key Demographics

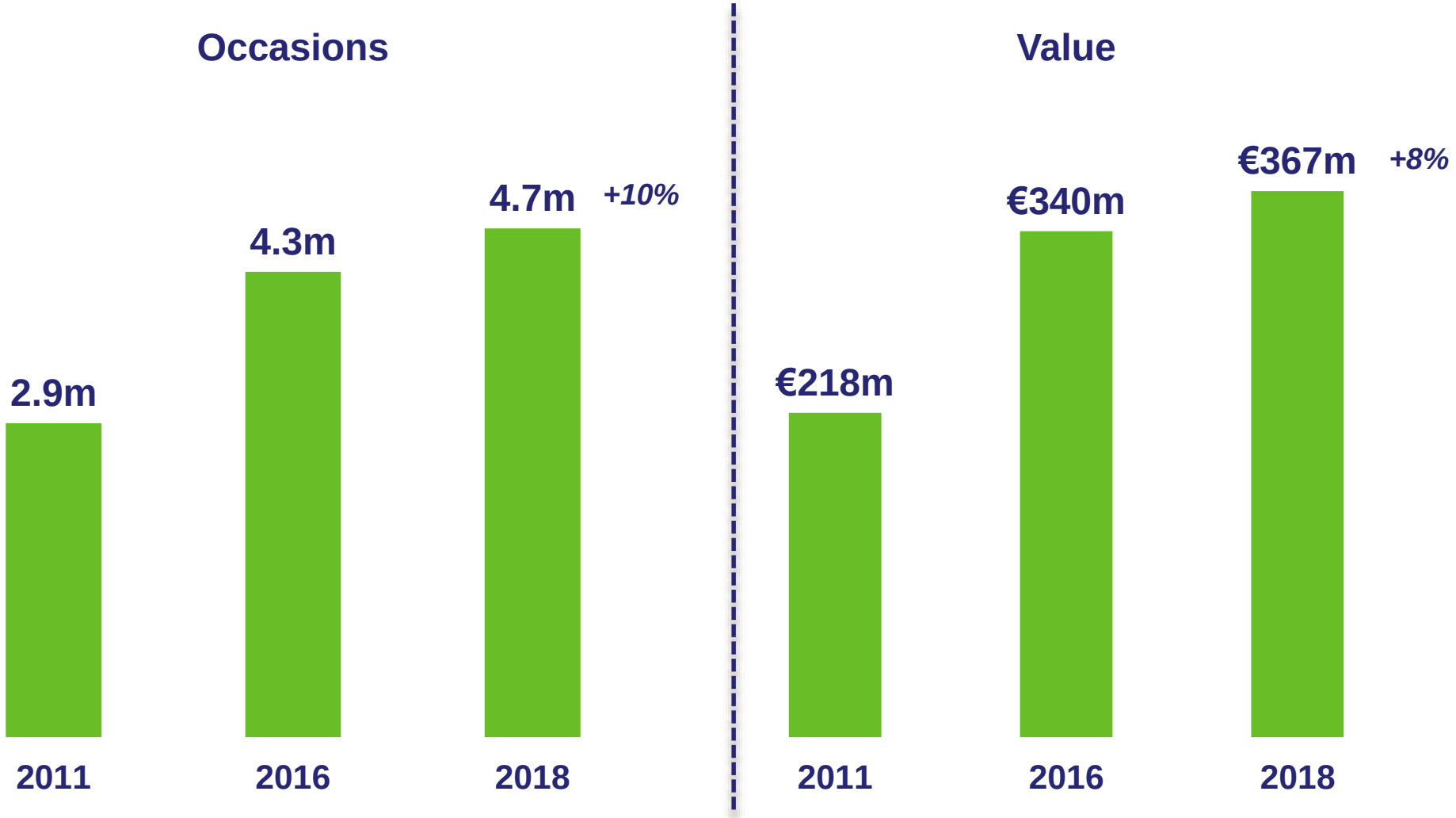
- Volume purchasing of cut flowers has a female bias, but men account for nearly half of all spend.
- Cut flowers volume and value exhibits a middle class bias. The market is spread relatively equally across age groups.
- Two thirds of purchases are through discounters and supermarkets but florists account for 38% of value.

Garden Products



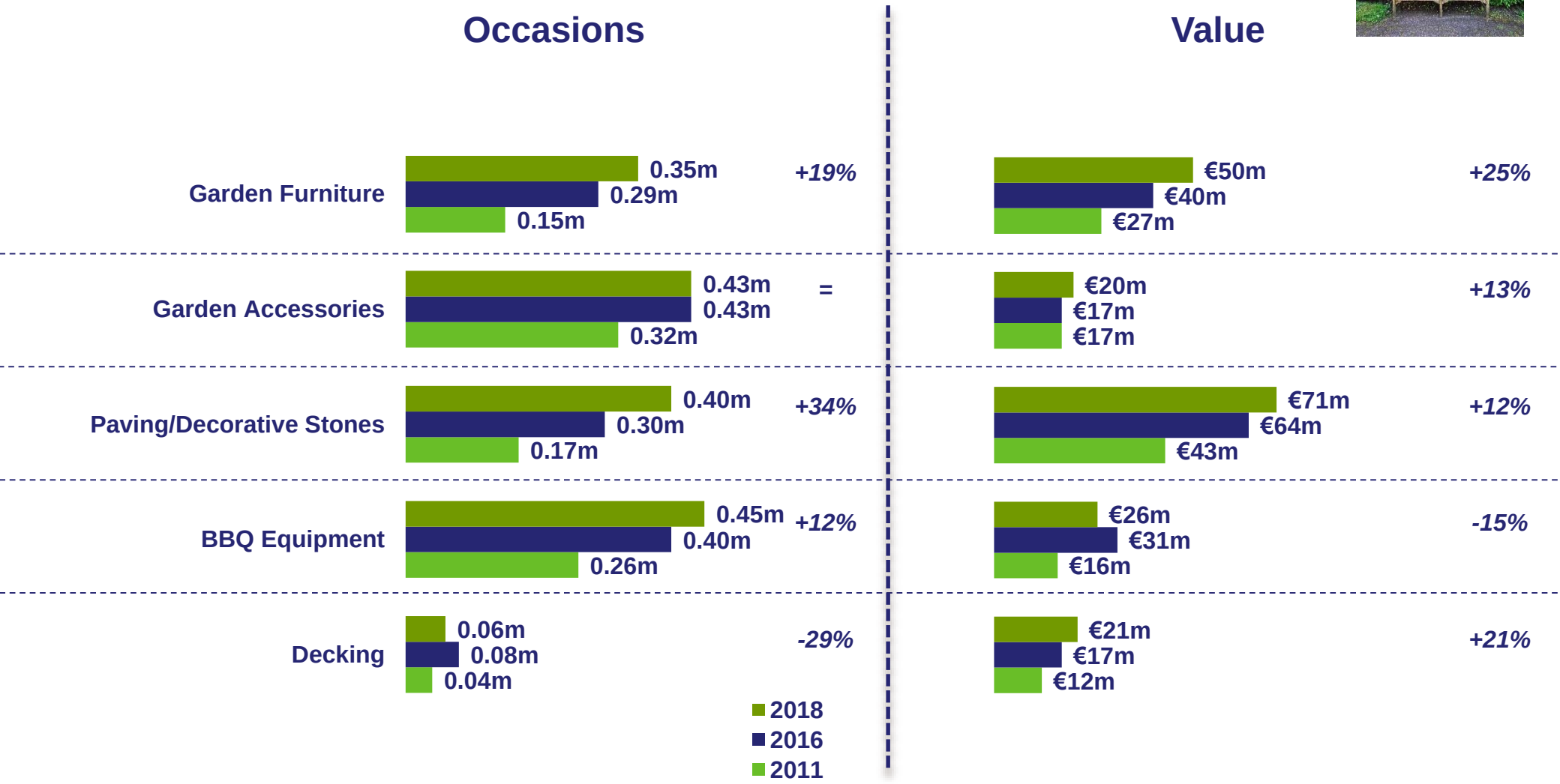


Garden Products – Summary



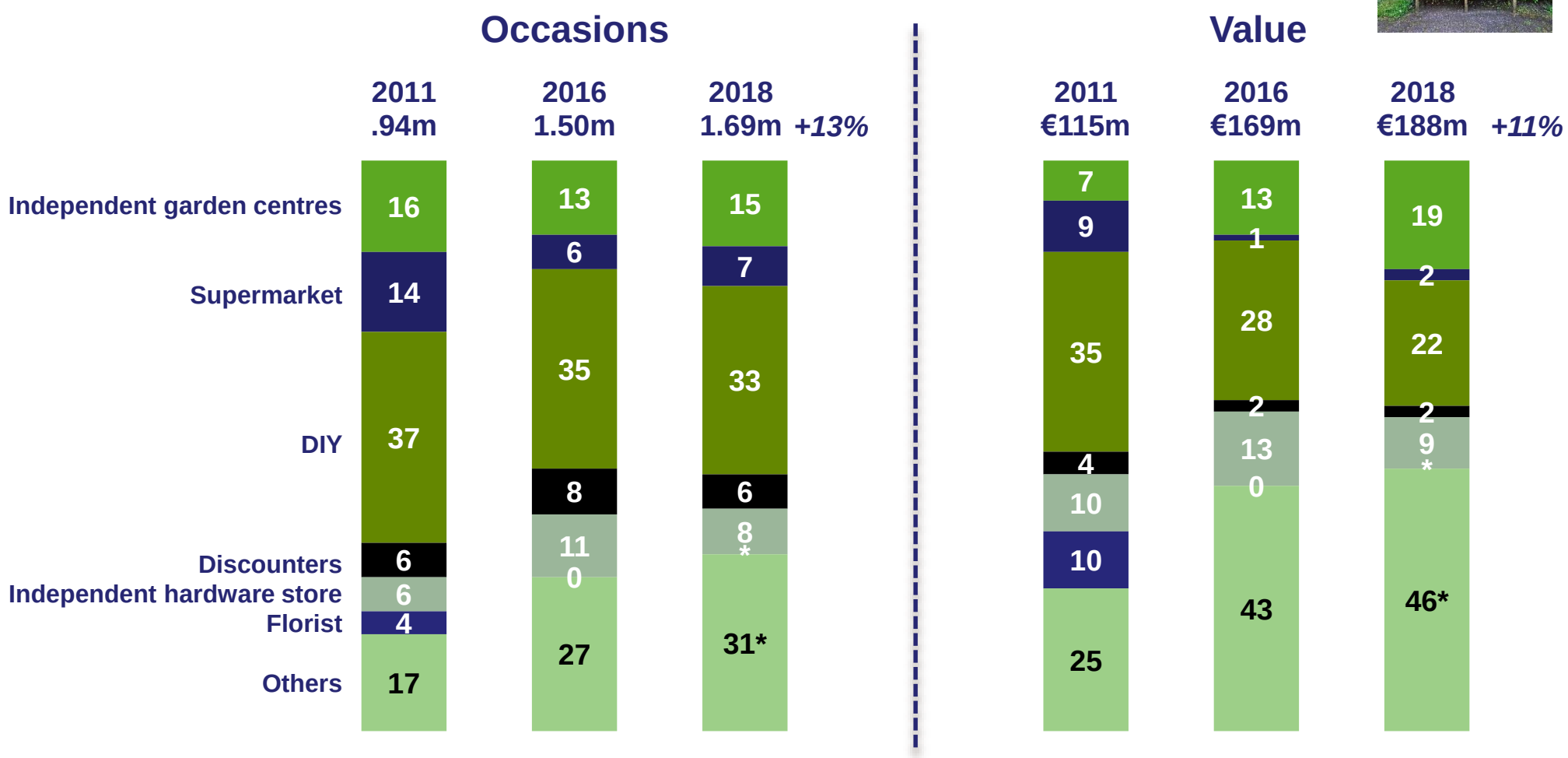
Garden Products: Ornamental





Ornamental Garden Products X Share of Channel





*(2018: 4% Co-op, 5% Homestore & More, 7% Builders' Merchants)

*(2018: 21% Builders' Merchants, 4% Co-op, 7% Homestore)

Garden Products: Functional



Occasions

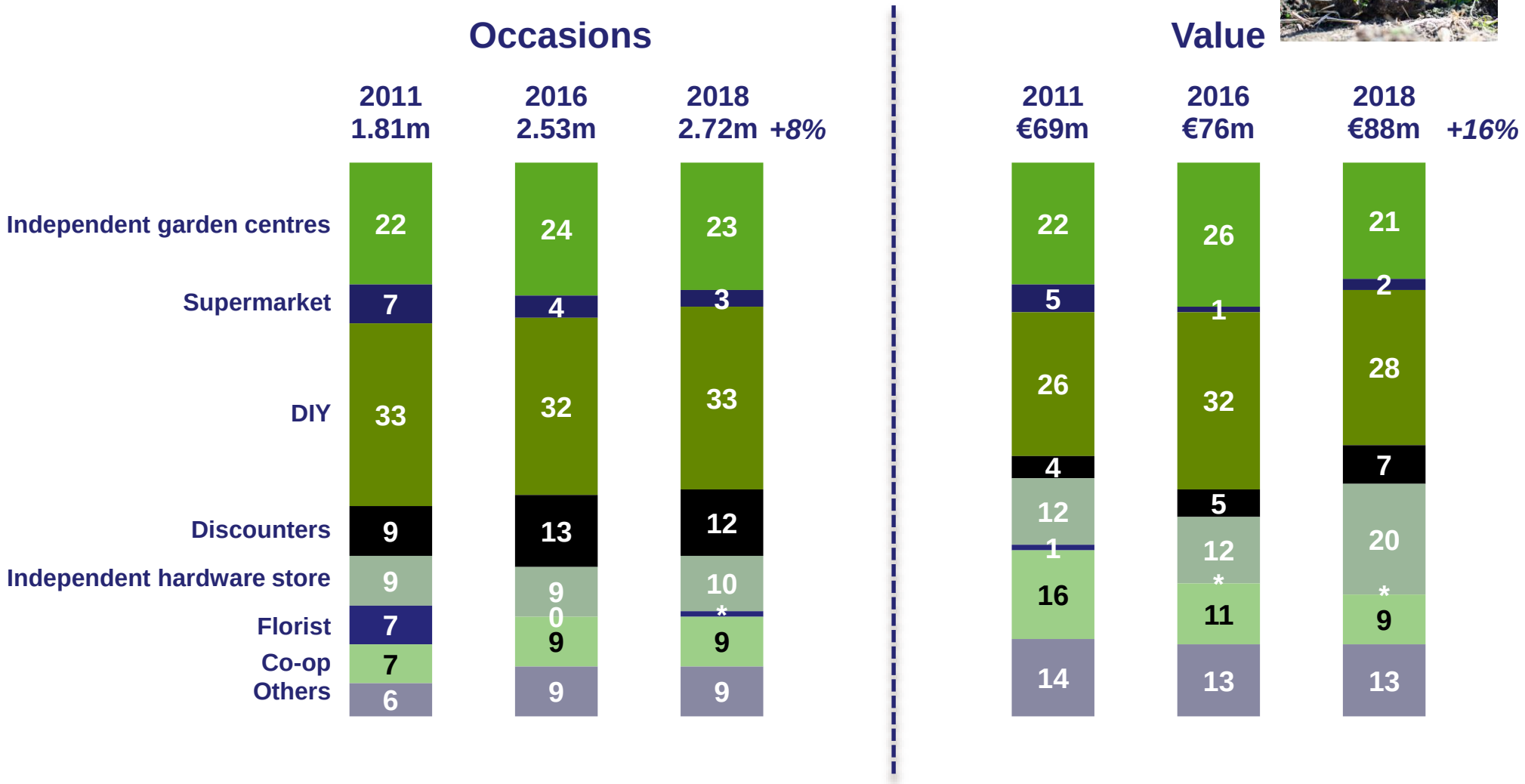
	2018	2016	2011	
Garden Treatment	1.16m	1.10m	0.83m	+9%
Peat/Bark/Soil Treatment	0.82m	0.78m	0.57m	+5%
Gardening Tools/Equipment	0.74m	0.65m	0.41m	+15%

Value

	2018	2016	2011	
Garden Treatment	€32m	€29m	€27m	+10%
Peat/Bark/Soil Treatment	€17m	€15m	€14m	+15%
Gardening Tools/Equipment	€39m	€32m	€28m	+23%

Functional Garden Products X Channel



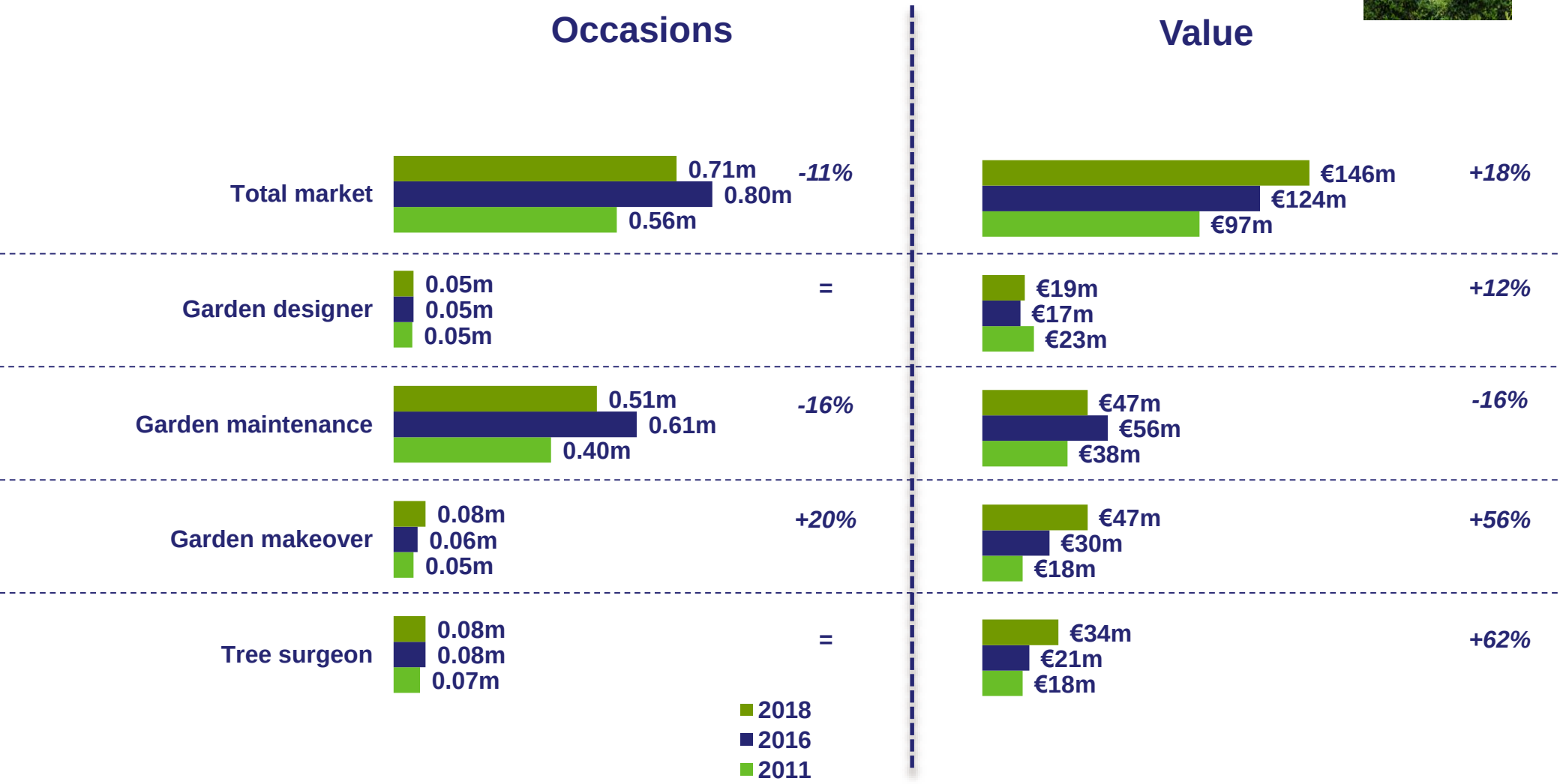


Landscaping Services



Landscaping Services – Summary





Summary points

G: “Growing your own” – a growing opportunity?

A: Adapting for lifestage

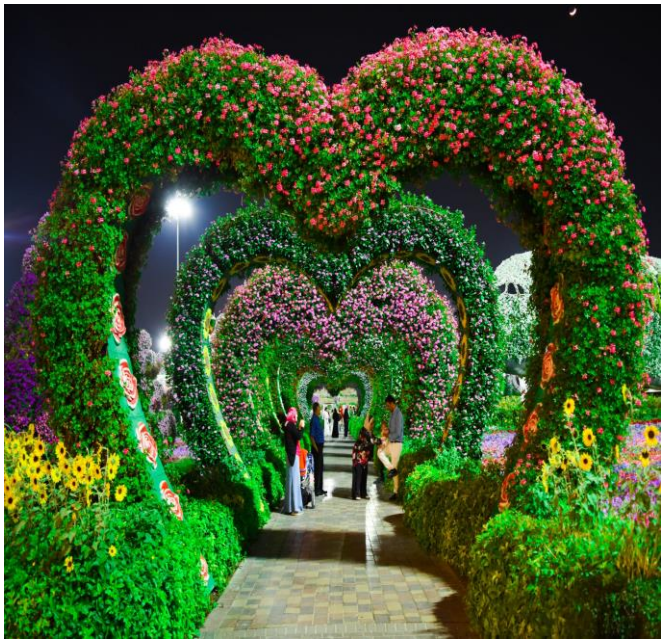
R: Recognition for a more urban way and new household dynamics

D: Decking is out! The importance of interiors!

E: Educate and inspire: how do we engage younger cohorts

N: New environmental and wellness opportunities

(S): Selecting the right channels



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Bord Bia
Irish Food Board

Market Summary

The amenity market is showing signs of growth since the last measure, particularly in the areas of indoor potted plants and fresh cut flowers, foliage and wreaths.

Spend on outdoor and flowering plants has plateaued since 2016, after reporting significant increases since 2011.

Herbs, fruit and vegetables for growing yourself are the only products which report a lift in purchasing occasions within the outdoor and flowering plants category since 2016. Consumer engagement in GYO products appears to be further expanding after a period of stagnation.

Trees and hedges, as well as herbaceous plants, recorded increases in spend compared with 2016. In both cases, the uplift was due to an increased spend per purchase occasion, rather than growth in occasions.

Hanging baskets and pre-planted containers have made no further inroads this measure, either in terms of occasions or value. Nonetheless, purchasing occasions are at their highest level since measurement began in 2001.

Market Summary

The long term trend for convenient planting solutions is further strengthened by a resurgence in popularity for indoor potted plants. Potted plants are demonstrating the greatest level of growth in both purchasing occasions and spend of all products measured.

The market for garden products is showing further growth since 2016. There are positive movements in most products.

The popularity of decks – which soared during the Celtic tiger years, seems to have been replaced by the enduring alternative of paving/gravel.

Spend on landscaping services is also on the increase. Spend on garden makeovers or overhauls appears to be favoured over paying for a garden designer to draw up plans for a garden.

Independent garden centres remain the single most important channel for amenity products; a quarter of all consumer spend – and almost half of spend on outdoor flowers and plants - is routed through garden centres.

Spend on amenity products through discounters has overtaken traditional supermarkets, due to a much greater increase in purchasing occasions over the past seven years.