

## Merchandising

# Nursery Stock

## in California

Of 84 California nursery wholesalers of trees, shrubs, and bulbs, included in a survey, 52 sold nursery stock to non-nursery outlets—supermarkets, department and variety stores. Of these 52 wholesalers, 7 had total annual sales above \$250 thousand, 19 had total annual sales of \$100–\$250 thousand; and 26 had total annual sales of \$50–\$100 thousand.

Sales to supermarkets and other stores accounted for less than 10% of the total volume of 61% of the wholesalers. Only 14% depended on non-nursery outlets for the majority of their business.

Prompt payment of invoices, good credit and volume purchases encouraged sales to non-nursery outlets.

Retail nurseries were considered to be the best customers of 75% of the wholesale nurseries.

### Packaged Roses

The survey included the retail merchandising of nursery stock by 55 non-nursery outlets in active competition with nurseries in the San Fernando Valley and in the San Francisco Bay Area.

Packaged rose bushes were selected as a representative item because they were available in almost all outlets and in a variety of packages. Frequently used was a foil package with the plant's roots in moist packing material and the canes or branches visible. A color picture of the rose bloom was usually placed on the package. Polyethylene bags and tall narrow boxes also were used but, as the plant was completely enclosed, it was difficult to determine its condition. Plants in foil packages appeared to stay in good condition longer than those in other types of packages.

Rose plants were carried by 47 of the 55 retail non-nursery outlets. Patented rose varieties were sold in eight of the 47 stores.

The average price for a common variety grade No. 1 rose bush was 99¢ in a supermarket or \$1.03 in a department, drug or variety store. The plants

appeared equal in quality to the grade No. 1 roses offered by retail nurseries.

In most instances, the grade No. 2 roses were of acceptable quality. However, in three stores, bushes were small and many were broken or misshapen.

In some stores large color pictures of roses were displayed to attract attention to the plants.

A variety store in downtown San Francisco devoted four complete counters in the basement of the store to a mass display of 119 varieties of rose bushes in foil packages including grades No. 1 and No. 2. The roses were replenished several times a week by a wholesaler so the bushes were in fresh condition. The store sold more than 17,000 rose plants during the spring of 1959, of which 77% were grade No. 1.

Seventeen supermarkets in the San Fernando Valley sold an average of 530 roses each in the spring season.

Three large variety stores within a few blocks of each other in downtown San Francisco, in an area of heavy foot traffic, sold an average of 7,206 rose plants in the spring. Four large stores with outside garden shops sold fewer roses—an average of 3,050 plants.

Fifty species of nursery stock were carried in the supermarkets, department, variety and drug stores surveyed and virtually all the stores carried insecticides, fertilizers and other supplies.

### Consumer Attitudes

Seventeen retail outlets—garden centers, retail nurseries, department stores, and one variety store—distributed 1,250 questionnaires to nursery stock purchasers. A 17% response indicated definite differences in consumer preference for various outlets. Four principal reasons for buying plants in a garden center or retail nursery were: 1, high quality plants; 2, knowledge of plant material by salesmen; 3, convenient parking; and 4, availability of garden supplies.

The four reasons for shopping at de-

partment stores with outside garden shops were: 1, convenient parking; 2, newspaper advertising; 3, low prices; and 4, a complete line of gardening supplies available.

Three reasons were given for buying plants at variety stores: 1, low prices; 2, store display; and 3, advertising.

Three fourths of the plant buying customers at garden centers bought most of their plants in the store and 60% bought most of their garden supplies in the same store. In the small nurseries 57% of the customers purchased most of their plants at the nursery but only 29% bought most of their garden supplies in the same nursery.

At department stores with outside garden shops, 57% of the customers bought most of their plants at the store and 65% bought most of their supplies in the same store.

Customers seemed well informed concerning prices in the various types of outlets and a large number of them said they would patronize a store that provided reliable information on growing plants even if prices were slightly higher.

The high sales of nursery stock in non-nursery retail stores in certain locations may indicate increasing consumer acceptance toward the purchase of plants in these outlets.

The study also showed that almost half of the wholesale nurseries are seeking new retail outlets among non-nursery businesses.

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