Economic impacts of the green industry

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Acknowledgments

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Agricultural Research Service

HRI

USDA

UF/IFAS

Texas A&M AgriLife
Survey Methodology

- Sixth national survey since 1989 conducted by Green Industry Research Consortium.
- Compiled list of 110,000 grower and plant dealer firms in 50 states.
- Stratified random sample of 15,000 firms via mail, 17,000 firms via internet (email).
- Questionnaire similar to past surveys, with new questions for plant dealers/retailers.
- Collected information for business operations in 2013.
- Survey launched in July 2014.
- Two mailings of survey questionnaire, follow-up reminder messages.
- Data screened for duplicates, outlier values.
- 2,657 valid responses (8% response rate).

Geographic Spread and Period of Establishment

2000s
Period of Establishment

Sales by Plant Type

Native Plant Sales

<table>
<thead>
<tr>
<th>Region</th>
<th>Percent of Total Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appalachian</td>
<td>26</td>
</tr>
<tr>
<td>Great Plains</td>
<td>13</td>
</tr>
<tr>
<td>Midwest</td>
<td>19</td>
</tr>
<tr>
<td>Mountain</td>
<td>8</td>
</tr>
<tr>
<td>Northeast</td>
<td>14</td>
</tr>
<tr>
<td>Pacific</td>
<td>8</td>
</tr>
<tr>
<td>Southcentral</td>
<td>20</td>
</tr>
<tr>
<td>Southeast</td>
<td>18</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>17</strong></td>
</tr>
</tbody>
</table>
Sales by Product Form

- Containerized: 73.4%
- In-ground containers/Pot-in-pot: 1.9%
- Ball and potted/process ball: 0.7%
- Bare root: 7.0%
- Field grow bag: 0.3%
- Ball/burlapped: 8.1%

Other product forms: 8.6%

Sales by Type and Market Channels

- Wholesale: 54.0%
- Retail: 40.2%

Wholesale Sales by Market Channel

- Re-wholesalers: 20.1%
- Landscape firms: 28.4%
- Multiple location garden centers: 4.6%
- Single location garden centers: 16.7%
- Home centers: 19.9%
- Mass merchandisers: 10.3%
Irrigation Water Sources

- Wells: 65.0%
- City: 27.2%
- Reclaimed: 4.3%
- Recaptured: 10.4%
- Natural surface: 23.1%

Percent of Respondents Using

Irrigation Methods

- Overhead: 53.3%
- Drip: 38.8%
- Sub-irrigation: 4.8%
- Other methods: 19.9%

Percent of Respondents Using
Distribution of Change in Irrigation Water Use Per Acre

Pest Management Practices
Regional Trade Flows

States with the largest share of products sold to other regions:
- Alaska (94%), Delaware (56%), Arkansas (48%), Virginia (46%), North Carolina (42%), Tennessee (40%), New Mexico (40%), Missouri (37%), and Colorado (37%)

Factors Affecting Pricing Strategies

Factors Determining Prices

- Not Important
- Minor importance
- Important
- Very Important

<table>
<thead>
<tr>
<th>Factors</th>
<th>Percent Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other factors</td>
<td>34.2%</td>
</tr>
<tr>
<td>Last year’s prices</td>
<td>16.6%</td>
</tr>
<tr>
<td>Inventory levels</td>
<td>10.2%</td>
</tr>
<tr>
<td>Product uniqueness</td>
<td>42.1%</td>
</tr>
<tr>
<td>Market demand</td>
<td>39.9%</td>
</tr>
<tr>
<td>Grade of plants</td>
<td>44.5%</td>
</tr>
<tr>
<td>Other growers’ prices</td>
<td>37.3%</td>
</tr>
<tr>
<td>Inflation</td>
<td>37.6%</td>
</tr>
<tr>
<td>Cost of production</td>
<td>12.7%</td>
</tr>
</tbody>
</table>
Factors Affecting General Business

What are the economic impacts?
These and other Green Industry Research Consortium publications available at:
https://sites.google.com/site/greenindustryresearch/