INTERNATIONAL FRESH PRODUCE ASSOCIATION℠

Market Watch Floral

Celebrations Call for Flowers, Despite Inflation

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"Units were flat and mild inflation boosted dollar sales above year ago levels. February 2023 sales were dominated by Valentine's Day purchases and illustrate how people are willing to spend on something nice for themselves or others during special occasions and holidays despite inflationary pressure on income." – Debbie Zoellick, Director of Floral, IFPA

The dollar performance during the four weeks ending February 26, 2023, experienced a 5.1 % increase over the same 4-week period in 2022.

Floral department	Dollar sales	Dollar % change vs. YA	Unit sales	Unit % change vs. YA
4 weeks ending 2/26/2023	$1.0B	+5.1%	79.7M	+0.0%
52 weeks ending 2/26/2023	$7.6B	+2.3%	821M	-7.1%

Source: Circana, Integrated Fresh

The sales numbers for the past 52 weeks ending 2/26/2023 indicate year-over-year units down 7.1% with a dollar sales increase of 2.3%. This demonstrates the effect that inflation has had on the category over 2022.

February 2023 Sales by Type

"The strong February and Valentine's Day 2023 performance in dollars and units was supported by all the big categories," said Zoellick. "When comparing February 2023 to February 2022, roses, arrangements and bouquets accomplished both unit and dollar gains, offsetting declines in potted and outdoor plants."

4 w.e 2/26/2023	Dollar sales	Dollar % change vs. YA	Unit sales	Unit % change vs. YA
Floral department	**$1.0B**	**+5.1%**	**79.7M**	**+0.0%**
Roses	$328M	+8.0%	20.5M	+4.3%
Arrangements	$211M	+7.0%	6.1M	+3.7%
Bouquets	$174M	+11.6%	11.8M	+8.0%
Potted plants	$126M	-3.7%	11.5M	-6.5%
Fresh cut/consumer bunch	$93M	+2.9%	13.9M	-3.8%
Outdoor plants	$11M	-11.9%	1.7M	-17.9%
Bulbs	$10M	-35.6%	1.5M	-27.4%
Holiday	$0.9M	-5.8%	0.1M	-14.9%

Source: Circana, Integrated Fresh, 4 weeks ending 2/26/2023

Regional Performance

South Central region and the Great Lakes saw high dollar sale increases in February 2023, while California and the West experienced dollar sales declines.

	Share of produce $	Share of floral $	$ sales growth vs. YA
Total US	**100.0%**	**+5.1%**	**+10.7%**
California	13.1%	-1.6%	-8.6%
Great Lakes	11.6%	+8.2%	+8.2%
Mid-South	12.1%	+6.3%	+6.3%
Northeast	12.6%	+4.6%	+4.6%
Plains	5.6%	+4.6%	+4.6%
South Central	15.6%	+11.9%	15.6%
Southeast	15.4%	+8.0%	15.4%
West	14.1%	-0.7%	14.1%

Source: Circana, Integrated Fresh, 4 weeks ending 2/26/2023

Pricing

February 2023 compared to February 2022 floral price increases were relatively mild with an average increase of 5.2%. The average February 2023 price per unit during this timeframe reached $12.73. Only bulbs cost less at retail than they did last year.

4 w.e. 2/26/2023	ACV weighted distribution	Change vs. YA (points)
Floral department	**$12.73**	**+5.2%**
Rose	$16.07	+3.6%
Arrangement	$34.79	+3.2%
Bouquet	$14.73	+3.3%
Potted plant	$10.93	+3.0%
Consumer bunch	$6.68	+7.0%
Outdoor plant	$6.35	+7.3%
Bulb	$6.31	-11.3%
Holiday	21.12	4.76

Source: Circana, Integrated Fresh, 4 weeks ending 2/26/2023