This project has been funded by Hort Innovation using the nursery research and development levy and funds from the Australian Government. For more information on the fund and strategic levy investment visit horticulture.com.au

Consumer Usage & Attitude Research

Research Report

5 May 2021
Project #: NY20002 Nursery Fund Consumer Usage and Attitudes Research

Report Overview

About this report:

This report summarises the findings from the 2021 Nursery Fund Consumer Usage and Attitudes Research in Australia.

The report is structured in the following chapters:

1. Background, objectives and methodology
2. A consumer view of the nursery category in Australia
3. Buyer behaviour in the nursery category
4. Outdoor plants and the home garden environment
5. Indoor plants
6. Edible plants
7. Turf and lawns
8. Identifying consumer segments
9. Consumer segment profiles
10. Targeting segments for category growth
11. Program names and concept responses
12. Appendix - Latent Class Cluster Analysis, sample profile
13. Appendix - Additional charts

TheNavigators

Executive Summary

The 2021 Australian Nursery Fund Consumer Usage & Attitudes study finds that the nursery category appears to be in good health.

The nursery category is poised for growth

The study found a high level of consumer participation in the category with 65% of Australian adults having purchased a plant for indoors or outdoor gardens in the last 12 months. Despite this high level of penetration, there is considerable opportunity to further increase penetration and frequency of plant purchasing.

Consumer responses to questions about expected future spend show a strong sense of momentum in the market, with more expecting a growth in spend than expecting a decline. This pattern was identified among both those who had purchased plants in the last 12 months and those who had not.

The growth of the category is supported by a core segment of plant evangelists

There exists a vibrant group of plant and gardening evangelists that stretches across generations. The research identified a distinct segment labelled *Enthusiasts* who are both heavy buyers in the category, but equally importantly share their love of plants and gardening with other people in their lives. A category with a substantial number of passionate evangelists who encourage and support others to discover the benefits of plants and gardening is a valuable asset to the nursery industry.

Outdoor plants are critical to future growth

Despite the allure of indoor as a decor trend, outdoor plants are where the greatest volume and value of purchasing lays today. The findings from this study also indicate that intended future purchasing and therefore opportunities for growth will be greater for plants that can be used for planting in outdoor pots or the ground.

In the last 12 months, people living in medium and high density dwellings purchased between 2x and 4x as many outdoor plants as indoor plants for both pots and ground planting. That pattern is likely to continue as people living in higher densities look for solutions to brighten up their outdoor spaces.

Pots play an important role

An average of 4.7 plants were purchased per Australian adult in the last 12 months for potted applications whether indoor or outdoors. This number is slightly higher than the average of 4.3 plants to be planted in the ground. The high share of all plants sold for potted applications suggests this is an important consideration for people looking to purchase the category.

Executive Summary (cont.)

Commonly held consumer needs that present ongoing opportunities include:

- ***Colour*** - wanting more colour both indoors and outdoors is a primary motivator to buy plants. When asked what triggered the purchase of plants in the last 12 months, wanting more colour was the most frequently mentioned.

- ***Low maintenance*** - in deciding what plants to purchase, aside from the look and cost of the plant, the extent to which a plant is easy to maintain is a primary driver of what plants people choose to purchase. Even the most passionate and experienced who dedicate time and energy to their plants express a desire for plants that are easy to maintain.

- ***Potted plants*** - the provision of potted solutions serves a significant need for many buyers in the category. The research found the 5th most common trigger to purchase plants was "I had a pot that needed to be filled". Increasing the ownership of potted plants will create new growth opportunities for the nursery industry.

- ***Gifting that caters to all tastes and levels of expertise*** - giving plants as gifts is a common practice with approximately one in four people having purchased a plant as a gift for someone in the last 12 months. Among the most passionate plant people and heavy category buyers, the incidence of purchasing plants for gifts is even higher at over four in ten people.

- ***Building confidence*** - The great majority (six in ten consumers) express a desire to know more about plants and gardening. Even the most experienced gardeners express a desire to learn and know more. Among less experienced people, knowledge and confidence in what plants to buy and how to care for them is a key barrier to purchasing more plants or for some, any plants at all.

- ***How to find solutions for confined spaces*** - A perceived lack of space is frequently cited as another barrier to buying more plants. It is the most frequency cited barrier when it comes to indoor plants and the second most commonly mentioned barrier for outdoor plants (after cost). With increasing numbers of people living in higher density dwellings, plant and garden solutions that work well in confined indoor and outdoor spaces are likely to find a receptive market.

- ***The look*** - Home decor and upgrading the look of the home, both indoor and out is an important purchase driver for some consumer segments. For 22% of consumers, a decision to improve the decor in their home was one of the most important triggers to purchase plants in the last 12 months. An additional 17% of consumers are highly motivated to buy plants to improve the appearance of their home from an outdoors perspective.

They research also found that ***edible plants*** are a sizable sub-category with six in ten people indicating they currently grow edible plants at home. Motivated by freshness, personal satisfaction in growing their own produce and to save money on produce, edible plants are a strong motivation to participate in the category. Just over one in five people purchased edible plants in the last 12 months.

Executive Summary (cont.)

The nursery retail environment is critical for inspiration and information

The findings from the study identified that the retail environment is the point of discovery, learning and purchase for many consumers. Among those with some experience in plants and gardening, the most commonly mentioned source of inspiration for plants and gardening was the retail environment.

The retail environment also appears to play an important role in furthering the knowledge and skills of category buyers. About one in five people use the information on plant tags to help them further their knowledge and a similar number seek the advice and guidance of nursery staff.

Enhancing the retail environment to support both information and inspiration through improved ranging, layout, labelling, display and staff training will help more consumers find success in the nursery category.

With hardware stores being where one in two plant buyers purchased in the last 12 months, they are critical for the industry's growth strategy and need to have an aligned vision for growth ambitions to be fulfilled.

Consumers can be segmented by buying behaviour and category involvement

A consumer segmentation model was developed using responses to questions about the category and involvement and purchase behaviour of indoor and outdoor plants. A total of eight segments were identified, from which, six offer opportunities for growth. The six segments are:

- *Enthusiasts (6% of the market = $270M retail value)* - passionate plant people who are heavy buyers in the category of both indoor and outdoor plants, are knowledgeable about gardening and enjoy sharing their love of plants with others through gifting and advice.
- *Garden Proud (17% of the market = $451M retail value)* - older homeowners who prioritise their outdoor gardens over indoor plants and greatly value growing their own produce.
- *Early Bloomers (8% of the market = $205M retail value)* - moderate to high purchasers of both indoor and outdoor plants who are actively building their knowledge and confidence in the category and have a passion for DIY projects.
- *Small Space Curators* (*16% of the market = $261M retail value*) - people living in apartments and medium density dwellings who are interested in indoor plants and outdoor potted plants for balconies and courtyards to improve the decor and look of their home.
- *Dabblers (17% of the market = $168M retail value)* - people who want to have a nice looking garden but are not particularly interested or enthusiastic about spending time tending to plants and gardens.
- *Plant Curious (7% of the market = $12M retail value)* - underconfident and inexperienced people who haven't purchased plants recently despite being more interested in plants than other non-buyers.

Executive Summary (cont.)

Consumer segments point the way to growth

There is a pre-existing intention among many of those who purchased plants in the last year to increase their spend in the near future. This is particularly true for the most valuable and highly engaged segments of Enthusiasts and Garden Proud. Given the high value of these segments today, accounting for 53% of retail value, if they were to follow-through on their intention, the industry's growth objectives would almost certainly be met.

Members of these two segments will find their way to buying more plants as they are highly motivated, emotionally committed to the category and constrained by few barriers.

Longer term growth ambitions will require growing the number and involvement of category participants

The long term health and growth of the category will stand to benefit more by expanding the number of people who currently participate in the category and deepening the involvement of those who are light and medium buyers in the category, so they may become the Enthusiasts and Garden Proud of tomorrow. It is with this perspective in mind that we recommend the efforts of the industry are focussed on those who have the potential to buy more often and for those on the cusp of the category to re-engage and purchase plants once more.

The best prospects for incremental growth are Early Bloomers and Small Space Curators

These two sizeable segments provide an addressable target for industry marketing and communication initiatives, with clear strategic opportunities to communicate with people in these segments.

The size of the segments also mean that a small increase in purchase frequency, (i.e., one additional plant purchased per year) among members of these two segments could meet the industry's short-term growth ambition.

The Early Bloomer segment represents a unique opportunity for the nursery industry. Although a smaller segment in terms of quantity of people, they are however more valuable in terms of frequency of purchase, annual volume and annual value of plants purchased. This segment offers the advantage of stretching their purchasing power across both indoor, outdoor potted plants and plants for the ground. In contrast, Small Space Curators concentrate their spend on predominantly on potted plants.

An opportunity for the industry is to deliver and market affordable and easy-care solutions that suit indoor and/or small to medium outdoor spaces for people interested in taking a hands-on approach to improving the look of their home, it will go a long way towards stimulating an increase in their purchase frequency.

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Background to the 2021 Nursery Fund Consumer Usage and Attitude Research

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Background & Objectives

Hort Innovation has developed the Nursery Strategic Investment Plan (SIP) to invest the collected nursery levy funds in the priority areas identified and agreed by the nursery industry. Two of the five stated outcomes of the 2017-2021 SIP list an improved understanding of consumers amongst the strategies for achieving these goals. The relevant outcomes include:

Outcome 1: Increased demand and sales of green life products by 4% per annum plus CPI

Outcome 2: Increased marketing effectiveness and efficiency and better decision-making based on increased industry knowledge.

This Nursery Fund Consumer Usage & Attitudes Research study (NY20002) responds to the need for consumer insights that will help to drive demand in the industry (including a consumer segmentation) and provide an understanding of usage and attitudes that can be shared back to the industry to improve knowledge and effectiveness of future marketing activities.

The specific objectives of this research are:

1. Improve understanding around usage and attitudes towards green life
2. Map growth segment opportunities and identify the respective size of the prize
3. Share knowledge back to industry to drive better decision making
4. Use research findings to optimise the current consumer plant/garden/green life marketing program to evolve in line with identified opportunities
5. Feed insights into the development of the new strategic investment plan and FY22 marketing program for Nursery

Methodology

The Nursery Fund Consumer Usage & Attitude study was conducted as an online survey of Australian adults. The survey fieldwork was conducted between 23 February and 11 March, 2021.

The final sample was comprised of Australian residents aged over 18 years. The survey used a quota based sampling method from a large, nationally representative panel of Australians managed by online research panel provider Dynata. Quotas were based on age, gender and geography (metro and rural areas in each state and territory).

Respondents who did not complete the survey in full or who failed data quality checks were excluded from the final sample. A final sample of n=1,651 was achieved. The margin of error on this sample size is 2.4% at the 95% level of confidence.

The sample has been weighted by ABS Census population estimates to further ensure the results are representative of the entire Australian adult population.

Sample profiles are appended to this report.

Respondents were asked a series of questions about their attitudes and behaviors in regard to purchasing plants for indoor environments and outdoor areas of their homes. They were also asked a series of questions to understand their experience and perceptions of plants and gardening, their current ownership and role in buying, planting and maintaining plants in their home and questions about their attitudes toward plants and gardening.

Questions were also asked about sources of information and inspiration in regard to what plants to buy. Feedback was also sought on a concept of a program to promote and encourage people to become more involved in bringing plants and gardening into their lives.

Discrete, mutually exclusive consumer segments were identified using a statistical method called Latent Class Clustering (LCC). LCC was used with a number of categorical variables from questions about purchasing behaviour, indoor and outdoor plant ownership to create the segments described later in this report. The outputs from the LCC procedure for the optimal eight segment solution is shown in the appendix to this report.

A consumer view of the nursery category in Australia

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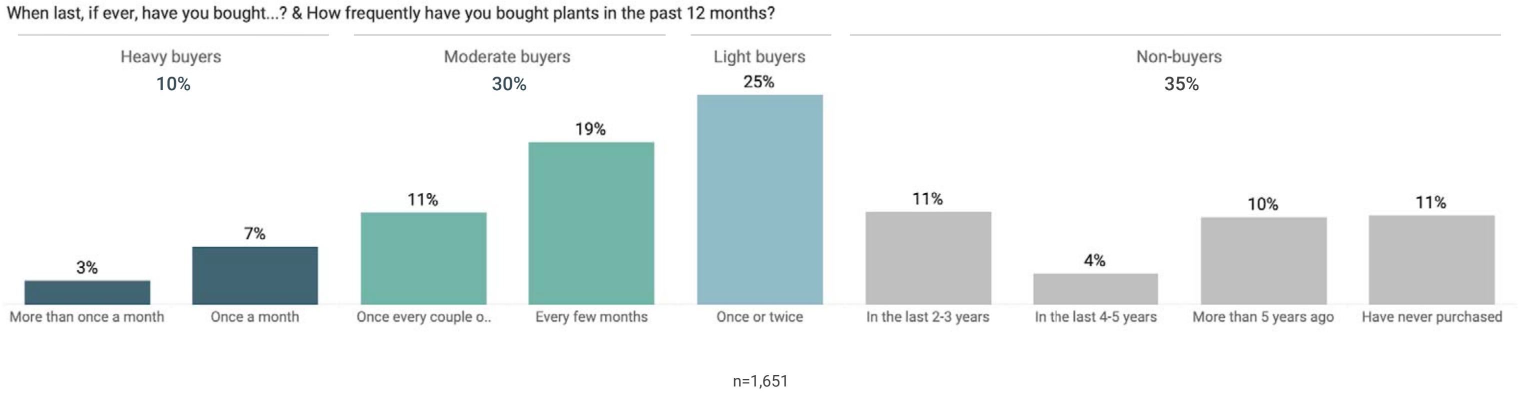
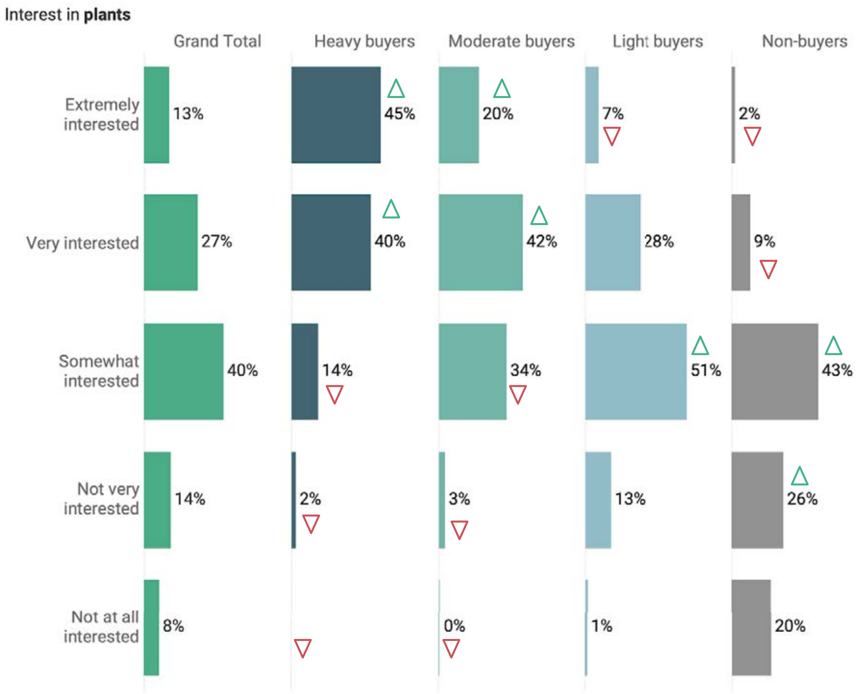
Two thirds of Australians have purchased a plant in the last 12 months

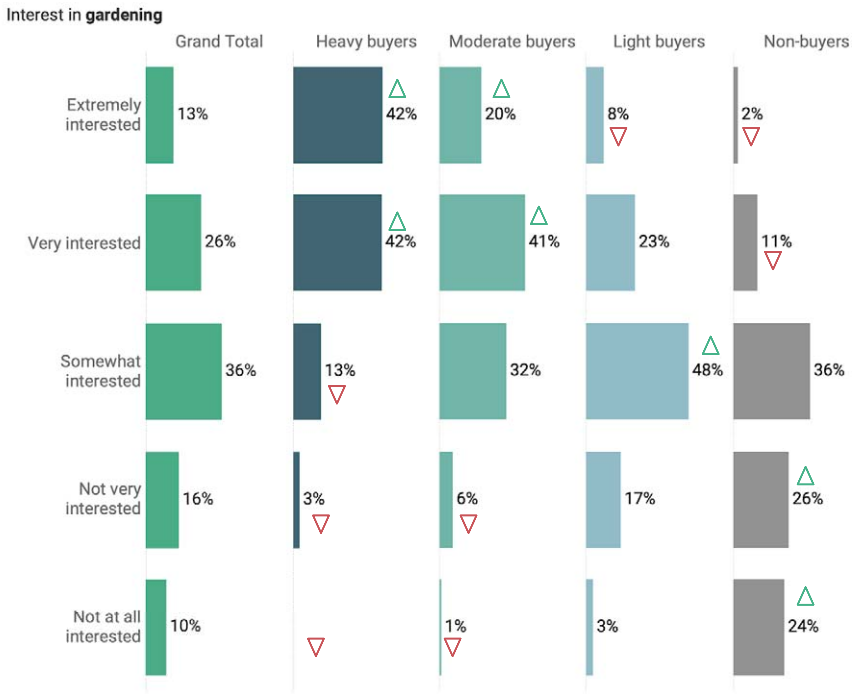
The available market for the nursery industry in Australia is substantial. In the past year, 66% of Australian adults have purchased at least one plant. As only 11% claim to have never purchased a plant, approximately 9 in 10 Australians have participated in buying from the category at some point in their lives.



How interested are Australians in plants and gardening?

Approximately 2 in 5 Australians say they are very or extremely interested in plants ***or*** very or extremely interested in gardening. Interest in plants and gardening is highly correlated with purchase behaviour.





Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

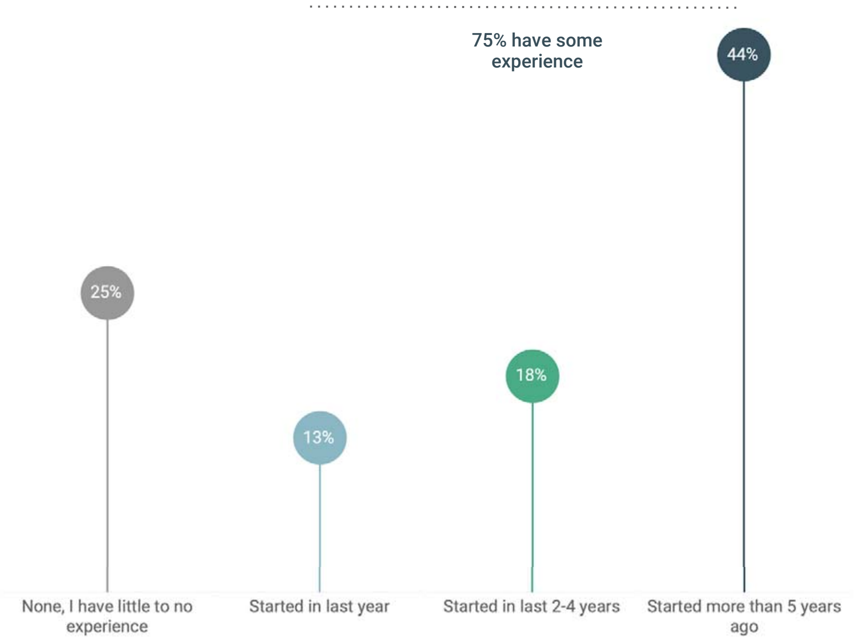
△ Significantly higher than Buyer types α = 0.05

▽ Significantly lower than Buyer types α = 0.05

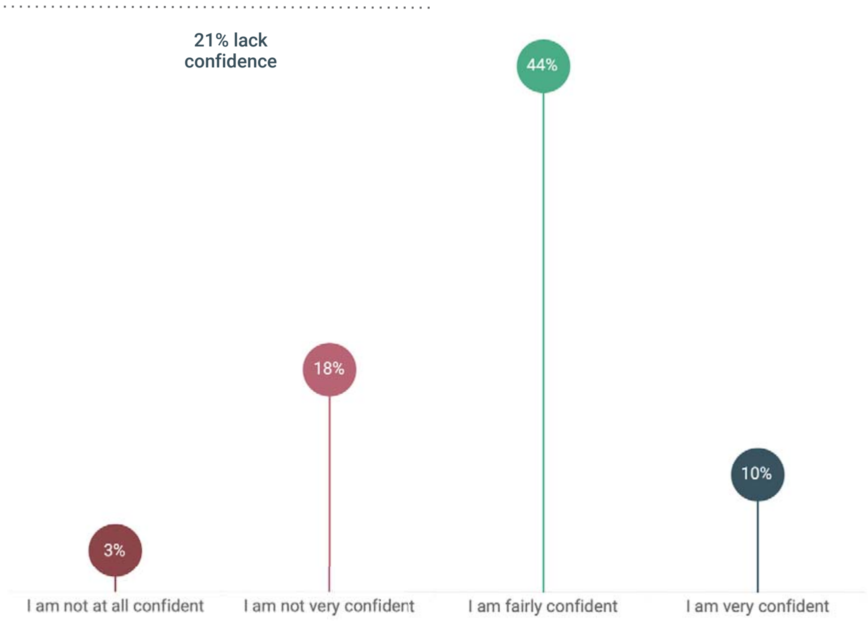
How experienced are Australians in plants and gardening?

Three quarters of Australian adults indicate they have some experience with plants or gardening, but 31% indicate they have less than 5 years of experience. In addition to the 25% who have no experience, a further 21% claim they lack confidence, leaving 54% who feel some degree of confidence in their ability.

How many years of experience, if any, do you have with plants or gardening?



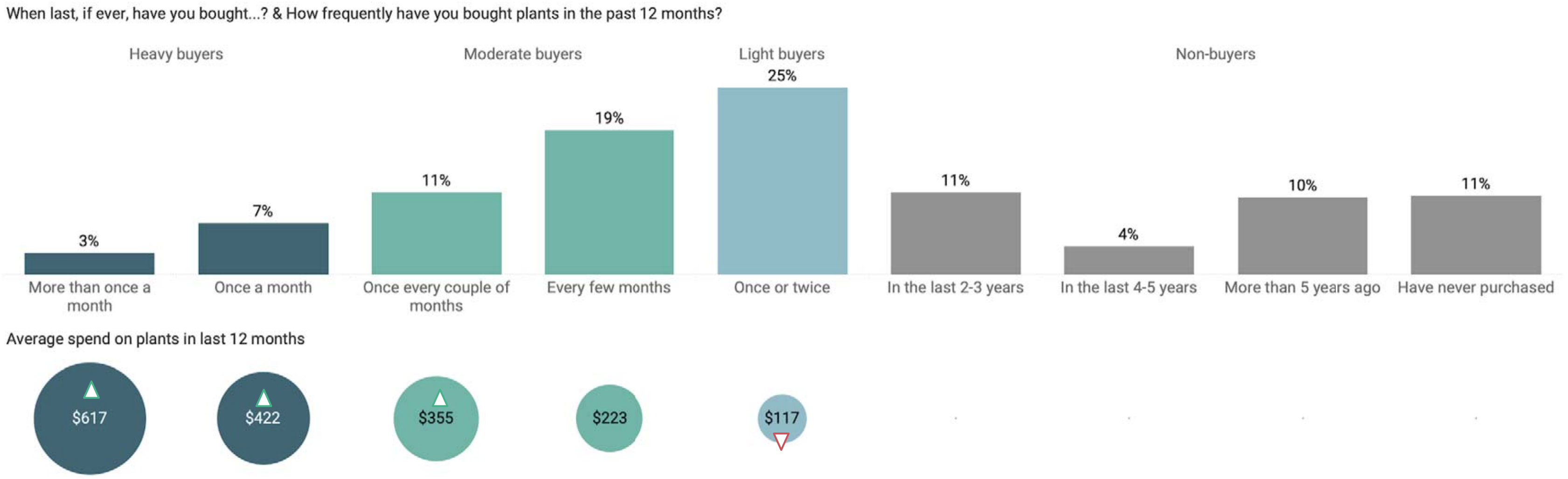
How confident are you with your skills & ability in terms of plants & gardening?



Sample sizes: Grand Total n=1,651

How much are people spending?

The average spend over 12 months amongst those who have bought a plant in the past 12 months is **$246**. As would be expected, more frequent buyers of plants spend a great deal more in the category than infrequent buyers. In the last 12 months, the most frequent purchasers of plants have spent, on average, more than 5x the amount of those who purchased infrequently in the last 12 months. Heavy buyers, when combined, account for 10% of the population, but 30% of the value spent in the category in the last 12 months.



Sample sizes: Grand Total n=1,651

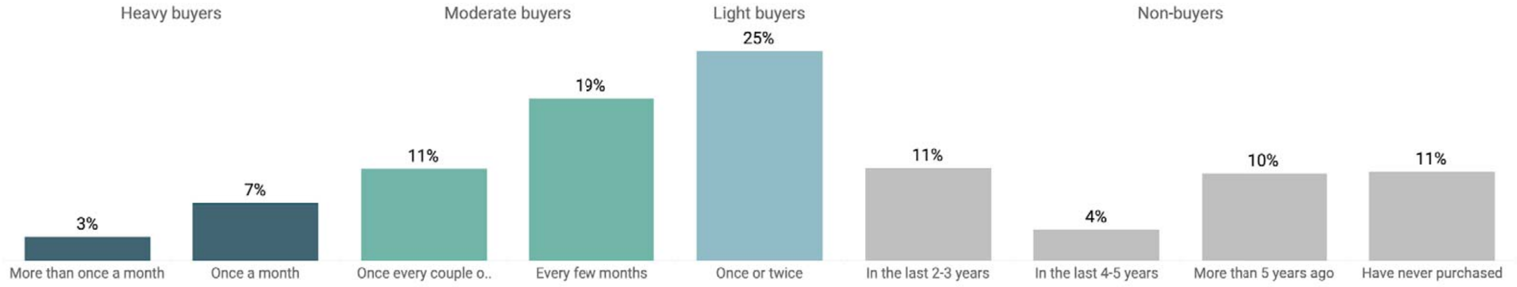
△ Significantly higher than Buyer types α = 0.05

▽ Significantly lower than Buyer types α = 0.05

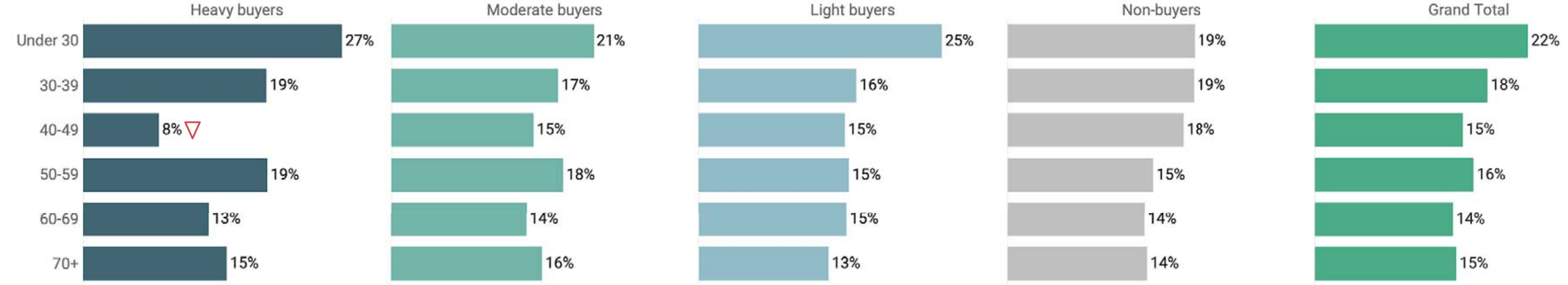
How does purchase frequency differ by age?

Heavy buyers span both younger and older age groups with an over representation of both under 30s and 50-59 year olds. People aged 40-49 are significantly less likely to be heavy buyers, potentially indicating the impact of the peak family years for many people where demands upon time and money can increase. Other age groups are largely in line with the age distribution of the overall Australian adult population.

When last, if ever, have you bought...? & How frequently have you bought plants in the past 12 months?



Age profile of Weight of Purchase groups



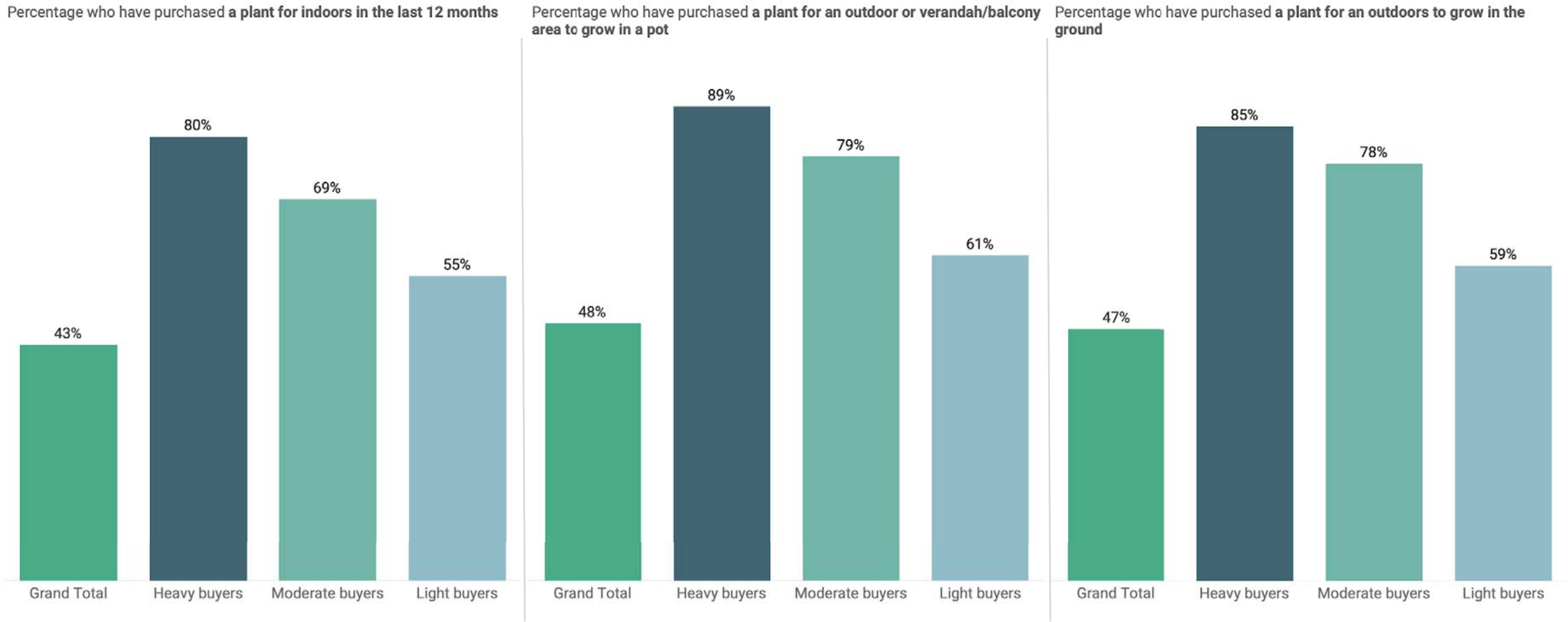
Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

△ Significantly higher than other buyer types α = 0.05

▽ Significantly lower than other buyer types α = 0.05

How many people have bought each category in the past year?

The incidence of buying plants for indoors, outdoor pots and to be planted in the ground outdoors was very similar across the population overall (Grand Total) and the three "weight of purchase" buyer types. Overall **60% of Australians purchased an outdoor plant** for planting in a pot or the ground in the last 12 months.



Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

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How many plants have Australians purchased in the past year?

On average Australians purchased 9 plants in the last 12 months with approximately 4 of those being purchased to plant outdoors in the ground. A further 3 were purchased for outdoor pots and the remaining two for indoor areas. These findings indicate that the **great majority of plant purchasing is for outdoor areas** as opposed to indoor areas. The heaviest buyers purchase 4x as many plants as the average Australian adult each year. Note that the question asked about the past 12 months, which covered the COVID-19 pandemic when people were spending more time at home than in a typical year which is likely to have impacted gardening and purchase patterns.

	Grand Total	Heavy buyers		Moderate buyers		Light buyers
		More than once a month	Once a month	Once every couple of months	Every few months	Once or twice
Average number of plants purchased for **indoor areas** in last 12 months	2.1	6.0 △	4.7 △	3.3 △	2.3	1.1 ▽
Average number of plants purchased for **plant in pots outdoors** in last 12 months	3.0	12.7 △	10.4 △	5.8 △	4.4 △	2.1 ▽
Average number of plants purchased to **plant in the ground outdoors** in last 12 months	3.5	19.9 △	13.6 △	7.9 △	5.2 △	3.3
Overall average number of plants purchased in last 12 months	9	39	29	17	12	7

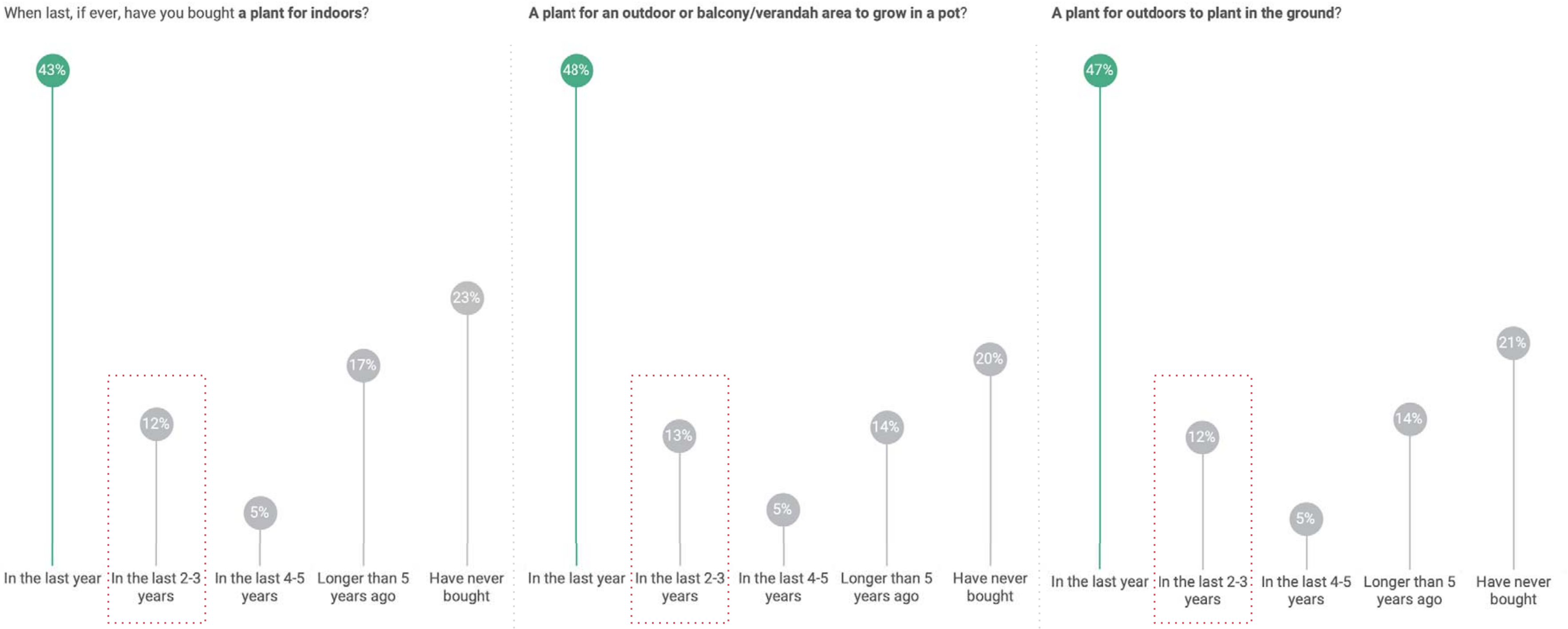
Sample sizes: Grand Total n=1,651, Purchase more than once a month n= 53, Purchase once a month n = 106, Purchase once every couple of months n = 189, Purchase every few months n=323, Purchase once or twice a year n = 407

△ Significantly higher than other buyer types α = 0.05

▽ Significantly lower than other buyer types α = 0.05

People who have not bought in the past year are not all outside of the category

In each sub-category, over 1 in 10 people haven't purchased in the last 12 months, but have made a purchase in the last two to three years. This suggests that there may be growth opportunities by encouraging those who have not purchased recently, but who are not too far removed from having purchased to re-engage once more.



Sample sizes: Total n=1,651

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There is a sense of forward momentum in the market

Overall, more people are likely to say they intend to increase their spend in the category over the next 12 months than people who say it will decrease. In terms of spend on indoor plants, two in ten plan to increase their spend in the future, while only one in ten expect to spend less. The forward momentum is even stronger in regard to expected spend on outdoor plants with a nett difference of 16% between those who expect to spend more compared to those who expect to spend less. Already heavy buyers are significantly more likely to intend to increase their expenditure on both indoor and outdoor plants.

n=1,651

Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

△ Significantly higher than other buyer types α = 0.05

▽ Significantly lower than other buyer types α = 0.05

Where does the momentum lie among age groups?

The intention to increase spend on indoor plants is strongest among younger people with approximately two in three people aged under 40 planning to spend more and less than one in ten expecting to spend less. Expectations for changes in outdoor plant spend are strongest among people aged between 30 and 50 years, with a nett difference of 20% or greater between those that expect to spend more compared to those who expect to spend less.

Sample sizes: Grand Total n=1,651, Under 30 n=228, 30-39 n=211, 40-49 n=206, 50-59 n=286, 60-69 n=362, 70+ n=358

△ Significantly higher than other buyer types α = 0.05

▽ Significantly lower than other buyer types α = 0.05

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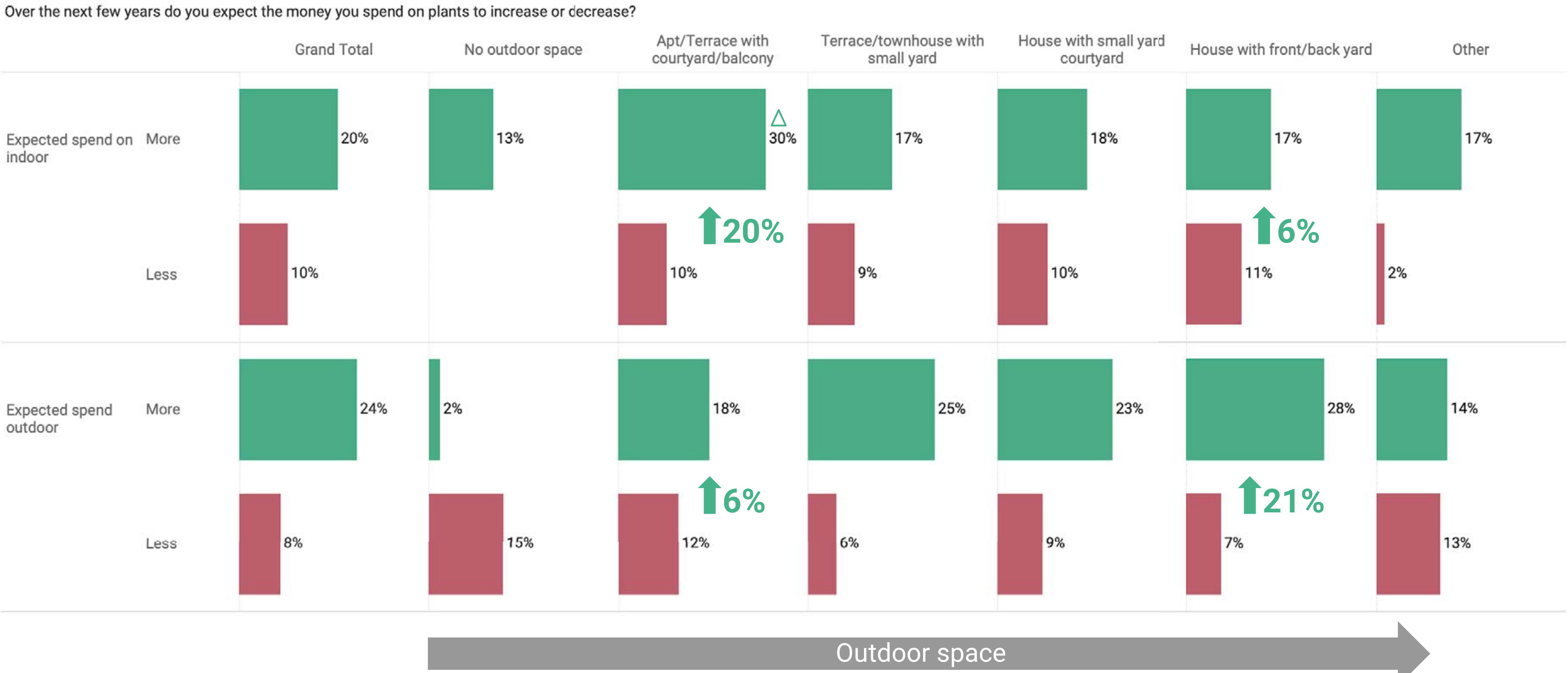
Where does the momentum lie among dwelling types?

The type of dwelling in which people live has a strong relationship with their expected future spend on indoor and outdoor plants. Those living in apartments or terraces with a balcony or courtyard expect to increase their spend on indoor plants more so than outdoor plants, while the reverse is true for people living in houses with a front and/or back yard.



Sample sizes: Grand Total n=1,651, No outdoor space n=45, Apt/Terrace with balcony/courtyard n=323, Terrace/Townhouse with yard n=463, House with small yard n=154, House with front/back yard n=633, Other n=33

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

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Key takeaways from the overview of the nursery category in Australia

Latent growth potential is evident

The research has identified significant numbers of people who are "light buyers" of plants. Light buyers are people who have purchased plants just once or twice in the last 12 months and they account for approximately one in four Australian adults. By increasing their frequency and thereby weight of purchase, even by just one more shopping occasion each year, it is possible to significantly increase industry revenue.

Another source of potential revenue growth exists by attracting people back to the category who did not buy plants in the last year, but have done so within the last 3 years. One in ten Australians fall into this category. They are people who have some familiarity with the category based on past purchasing behaviour, but have not been sufficiently motivated or enabled to continue purchasing in the last year. The probability of being able to encourage such people to re-engage as a plant buyer is greater than those who have not purchased for more than five years or have never purchased a plant.

There is a strong sense of momentum in the category

There is a strong indication that consumers generally intend to spend more on plants in the future than they have in the last year. While intention does not always translate into behaviour, it provides a good platform for growth.

Even among today's heaviest buyers of plants, there is a strong expectation they will spend more on plants in the future rather than less by a ratio of approximately 4:1. This indicates that growth can also come from those who are already deeply engaged in the category. Additional purchase behaviour among heavy buyers who are already highly motivated and highly experienced and capable can be enabled through the provision of prompts, reminders or triggers to act through communication and promotion.

Future purchase momentum is shaped by age and dwelling type

Younger buyers aged under 40 years and people living in apartments/terraces with balconies or courtyard outdoor spaces expect to spend more on indoor plants, while all others are more likely to increase their outdoor plant buying relative to indoor plants. Intention to increase spend on outdoor plants is strongest among those people who live in dwellings with larger front and/or backyards.

As the intention to increase expenditure in indoor and outdoor plant categories is strongly shaped by dwelling type, initiatives that allow consumers to better navigate the category so they can more easily discover and identify plant types that will suit their type of home could increase purchase confidence and ultimately success.

Outdoor plants will continue to deliver the greatest volume and value for the nursery industry

Based on the reported number of plants purchased in the last year by type, outdoor plant purchasing outstrips indoor plant purchasing by a ratio of approximately 4:1. Among the heaviest buyers in the category this ratio is 5:1. Indoor plants are a valuable entry point to the category and offer opportunities to bring people into the nursery category who are space constrained, but in the short to medium term, the growth potential offered by outdoor plants, particularly those which can be planted in pots, is many times greater than that offered by indoor plants.

Buyer behaviour

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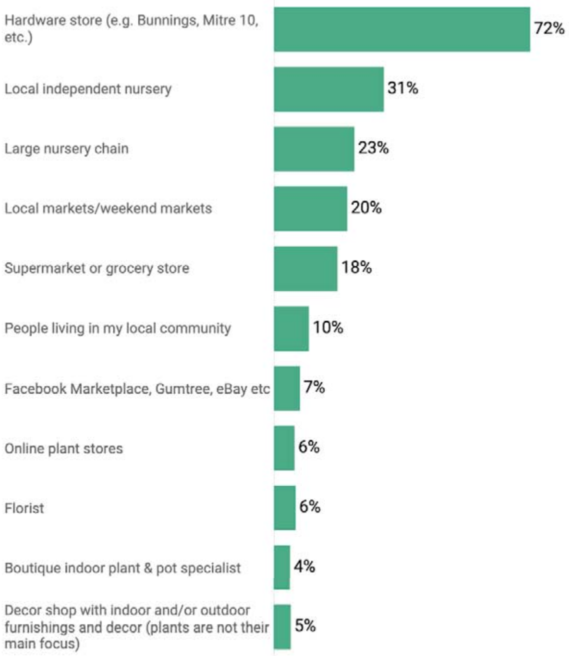
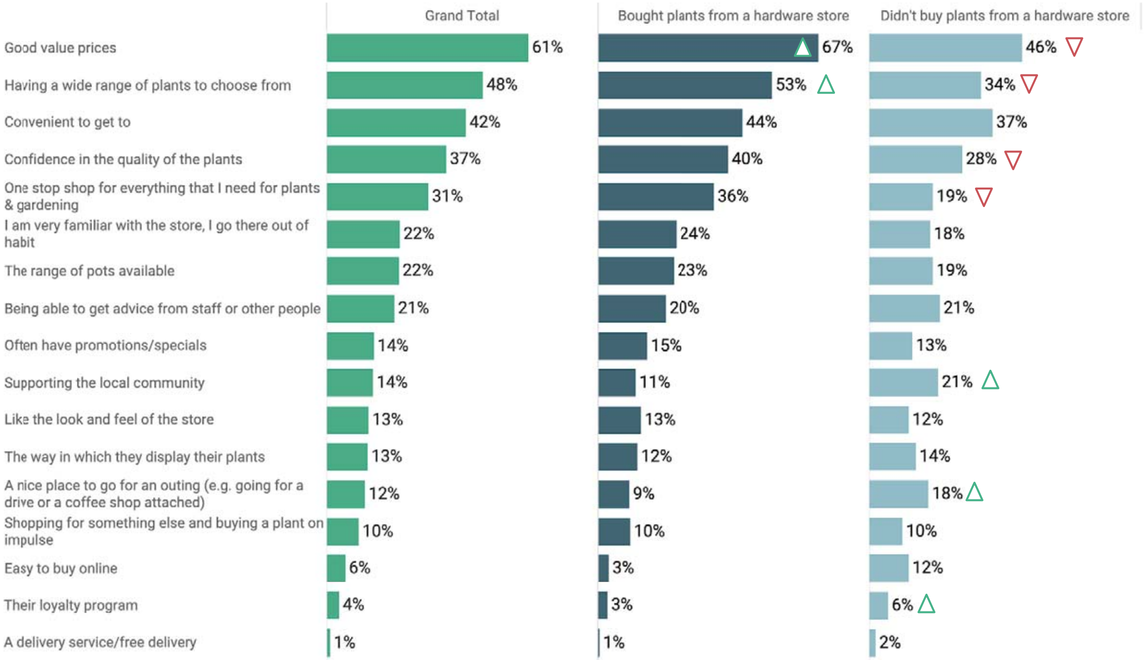
From where are people buying and why?

Hardware stores are the dominant retail channel for the industry. Of those who purchased plants in the last year, the majority did so from a hardware store. Local independent nurseries, while also popular, have attracted less than half the traffic of hardware stores in the last 12 months. Those who shopped at hardware stores are more likely to cite good value prices and wide range as the reasons for shopping there. These are significantly less likely to be cited as influences among those who didn't shop at a hardware store in the last year. Support for the local community, having an outing and loyalty programs are more likely to be considerations for where to shop for plants among these people.

From where have you bought plants in the last 12 months?



What factors have the greatest influence on where you buy your plants?



Sample sizes: Purchased plants in last 12 months n=1,078,
Bought plants from a hardware store n=799, Didn't buy from a hardware store n=279

△ Significantly higher than people who did/didn't purchase from a hardware store α = 0.05
▽ Significantly lower than people who did/didn't purchase from a hardware store α = 0.05

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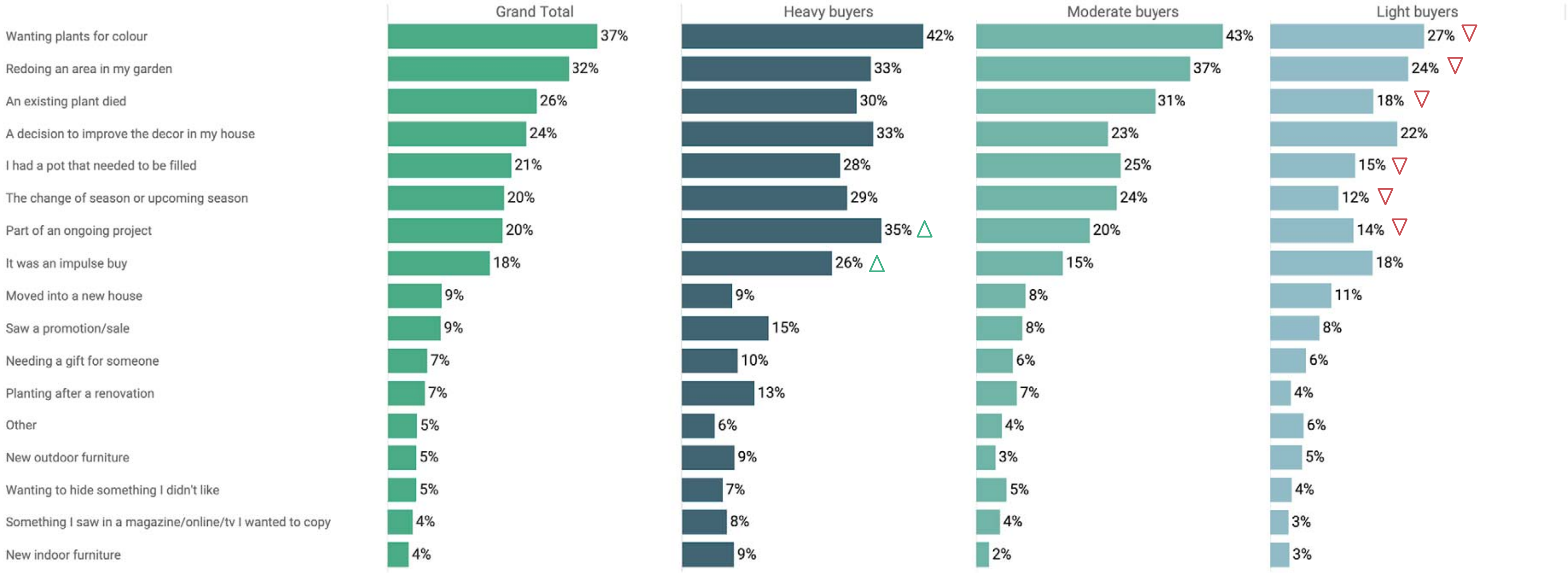
What are the things that trigger people to buy plants?

Buying plants to bring colour into the home is the primary trigger for purchasing. This is particularly the case amongst the heaviest buyers in the category. Redoing an area of the garden and replacing an existing plant that had died are also commonly reported triggers for purchase. Among heavy buyers, purchasing plants as part of an ongoing project is the second most mentioned trigger. The relationship between between heavy plant buying and projects suggests there may be an avenue to growing sales by encouraging projects of which plants form a key element.

What were the things that triggered you to buy plants over the last year?



Sample sizes: Purchased plants in last 12 months n=1,078,
Heavy buyers n= 158, Moderate buyers n = 505, Light buyers n = 400

△ Significantly higher than plant buyer Grand Total α = 0.05

▽ Significantly lower than plant buyer Grand Total α = 0.05

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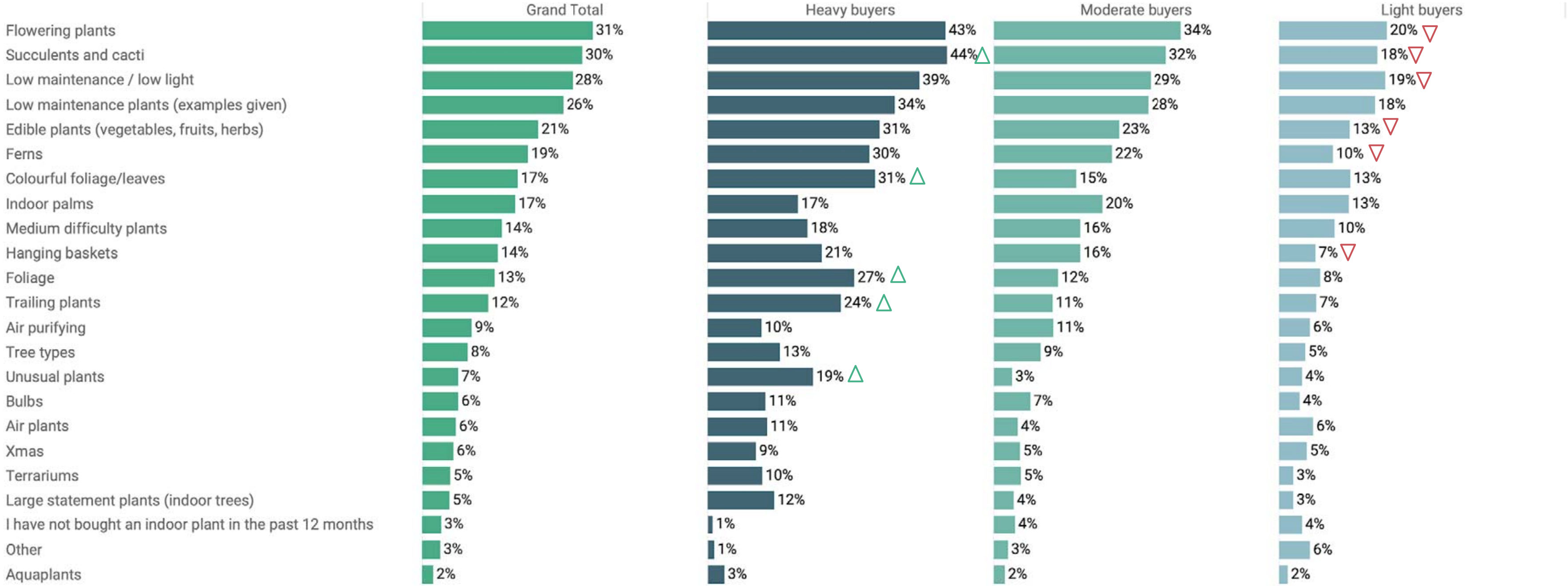
What indoor plants have people bought in the past year?

Among the 43% of Australians who have purchased an indoor plant in the last year, flowering plants, succulents and cacti are the most popular indoor plants overall. Succulents and cacti are particularly popular among Heavy buyers who are significantly more likely to purchase these relative to indoor plant buyers overall. Heavy buyers also are more likely to have purchased indoor plants with colourful foliage, trailing plants and unusual plants, reflecting their deep interest and engagement with the category. Amongst those who bought in indoor plant in the past 12 months, one in five bought an edible.

What types of indoor plants have you bought in the past 12 months?



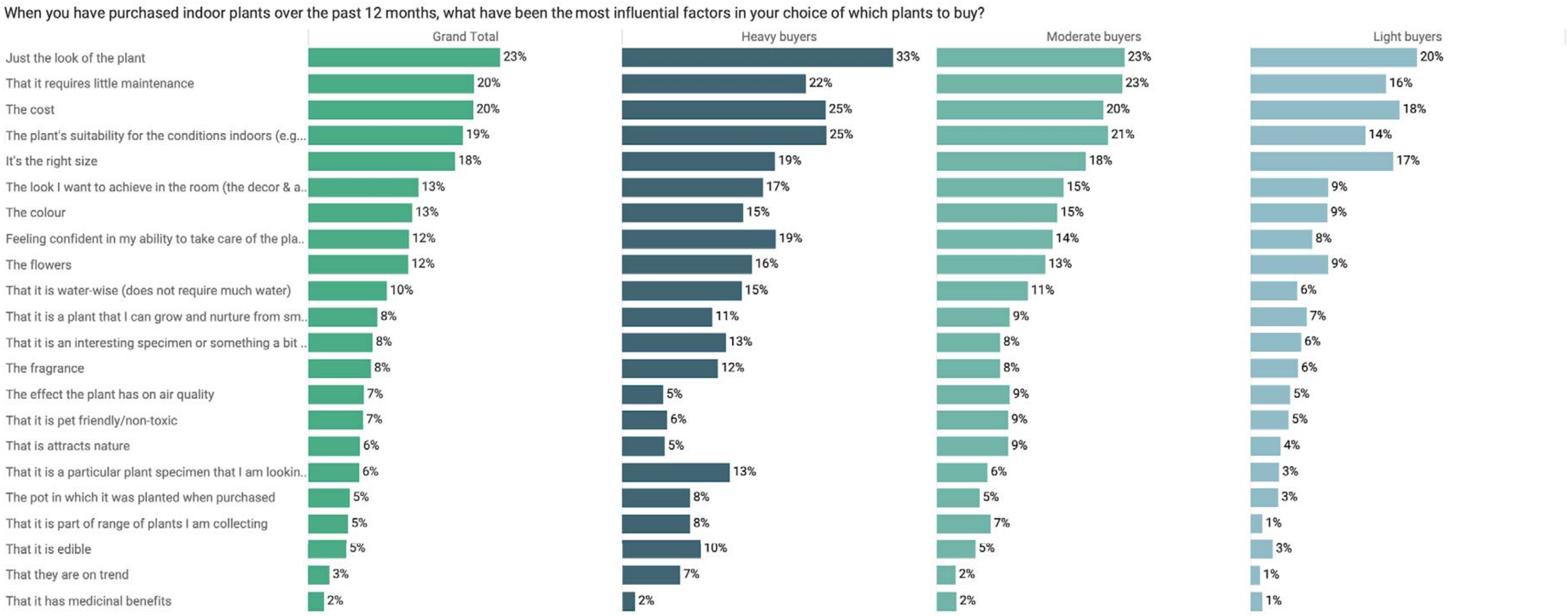
Sample sizes: Purchased indoor plants in last 12 months n=665,
Heavy buyers n= 117, Moderate buyers n = 342, Light buyers n = 206

△ Significantly higher than indoor plant buyer Grand Total α = 0.05

▽ Significantly lower than indoor plant buyer Grand Total α = 0.05

What factors influence the choice of indoor plants?

The look of the plant is the most important influence on the choice of which plant to purchase followed by the extent to which it requires maintenance. Even for the most involved in the category, indoor plants that require little maintenance are an appealing option. Cost is also a common consideration among all indoor plant buyers when deciding what to buy.



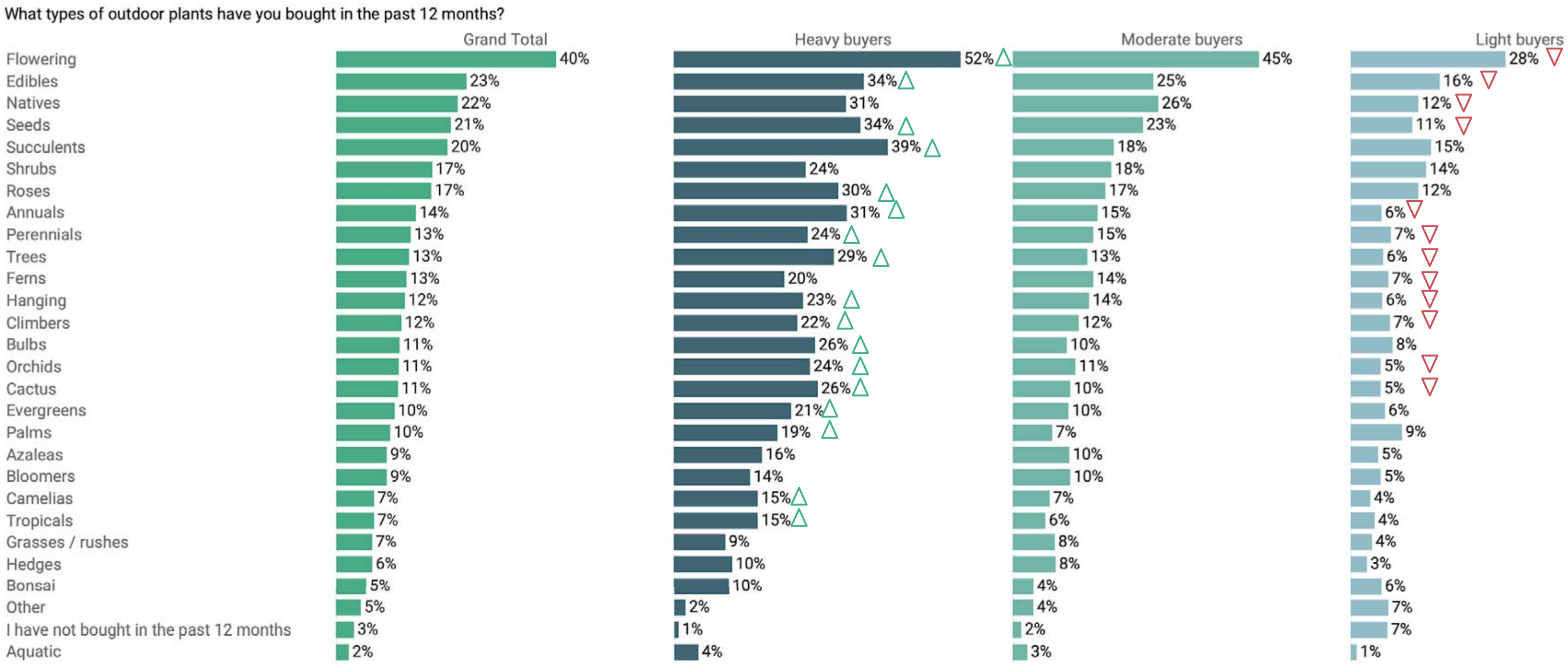
Sample sizes: Purchased indoor plants in last 12 months n=665,
Heavy buyers n= 117, Moderate buyers n = 342, Light buyers n = 206

△ Significantly higher than indoor plant buyer Grand Total α = 0.05
▽ Significantly lower than indoor plant buyer Grand Total α = 0.05

TheNavigators

What outdoor plants have people bought in the past year?

Of the 60% of Australians who purchased an outdoor plant in the last 12 months, flowering plants were the most popular. This was particularly the case among Heavy buyers with over half of the most involved in the category buying flowering plants. Because heavy buyers have purchased more often in the category, there were significantly more likely to have purchased many types of outdoor plants including edibles. Overall nearly one in four people who purchased an outdoor plant purchased a form of edible plant. Among Heavy buyers this ratio was one in three.



Sample sizes: Purchased outdoor plants in last 12 months n=998,
Heavy buyers n= 154, Moderate buyers n = 492, Light buyers n = 352

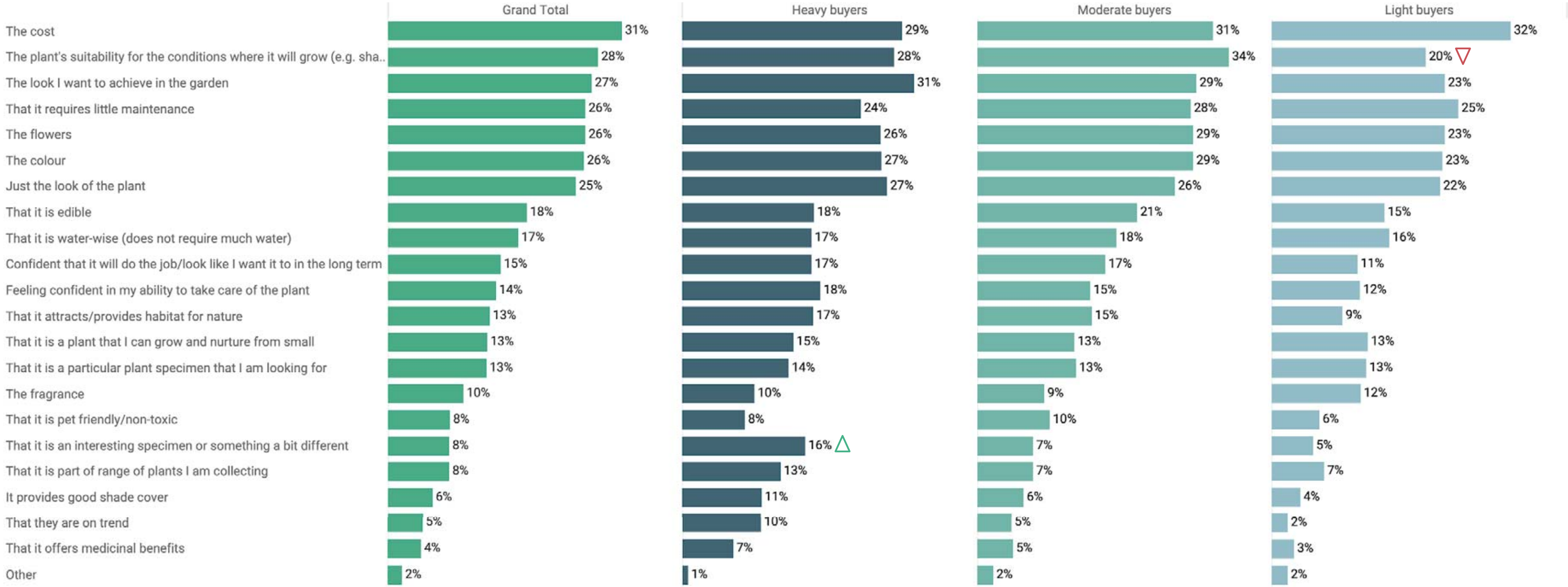
△ Significantly higher than outdoor plant buyer Grand Total α = 0.05

▽ Significantly lower than outdoor plant buyer Grand Total α = 0.05

What factors influence the choice of outdoor plants?

Amongst people who have purchased an outdoor plant in the last year, the cost of the plant, suitability for the conditions and the desired look of the garden are the main influences when considering which outdoor plants to purchase. Low maintenance plants are also thought of frequently. Light buyers are less likely to consider the suitability for the conditions the plant will grow in, indicative of their generally lower levels of experience. Heavy buyers are more likely than others to be looking for outdoor plants that offer something interesting or different to the norm.

When you have purchased outdoor plants over the past 12 months, what have been the most influential factors in your choice of which plants to buy?



Sample sizes: Purchased outdoor plants in last 12 months n=998,
Heavy buyers n= 154, Moderate buyers n = 492, Light buyers n = 352

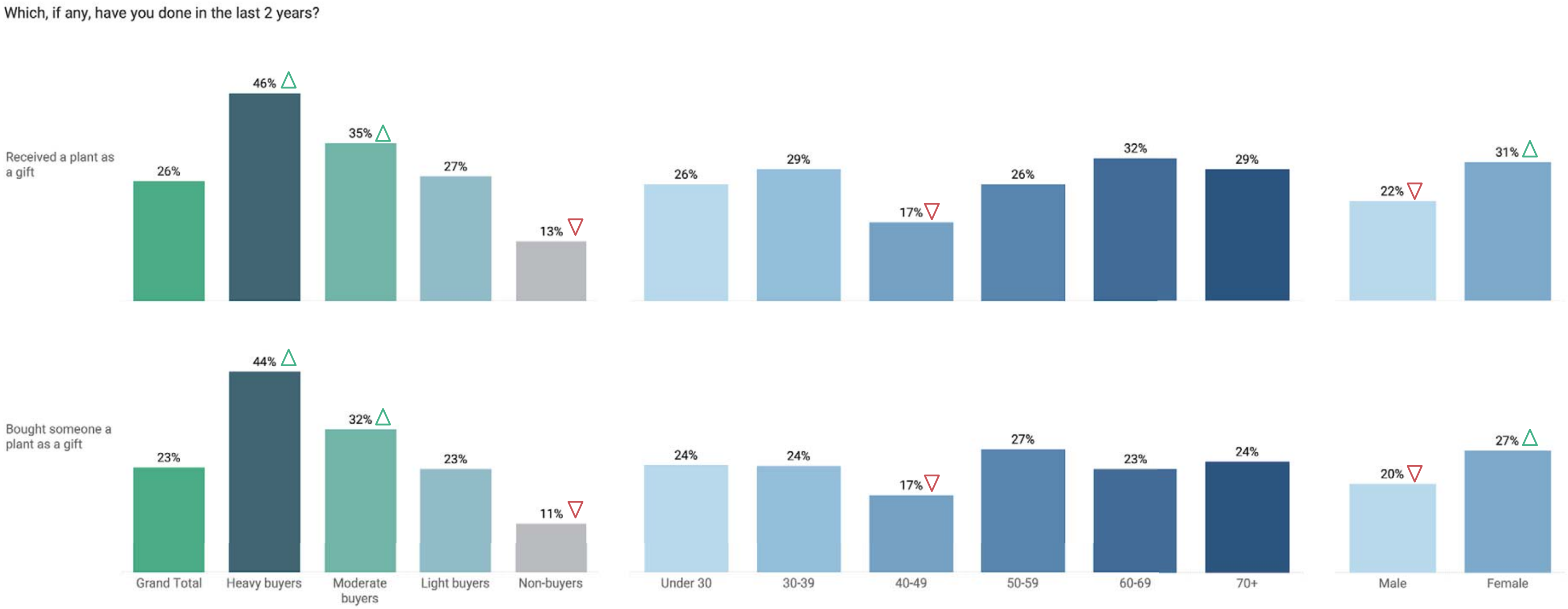
△ Significantly higher than outdoor plant buyer Grand Total α = 0.05

▽ Significantly lower than outdoor plant buyer Grand Total α = 0.05

TheNavigators

How many people are giving or receiving plants as gifts?

Overall one in four people have purchased a plant as a gift for someone and a similar number have received a plant as a gift. The pattern for buying and receiving plants as gifts is very similar across buyer types, age groups and gender. Heavy and moderate buyers are significantly more likely to both buy and receive plants as gifts. Females are also more likely to purchase and receive plants as gifts.



Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573, Under 30 n=228, 30-39 n=211, 40-49 n=206, 50-59 n=286, 60-69 n=362, 70+ n=358, Males n=696, Females n=954

△ Significantly higher than others α = 0.05

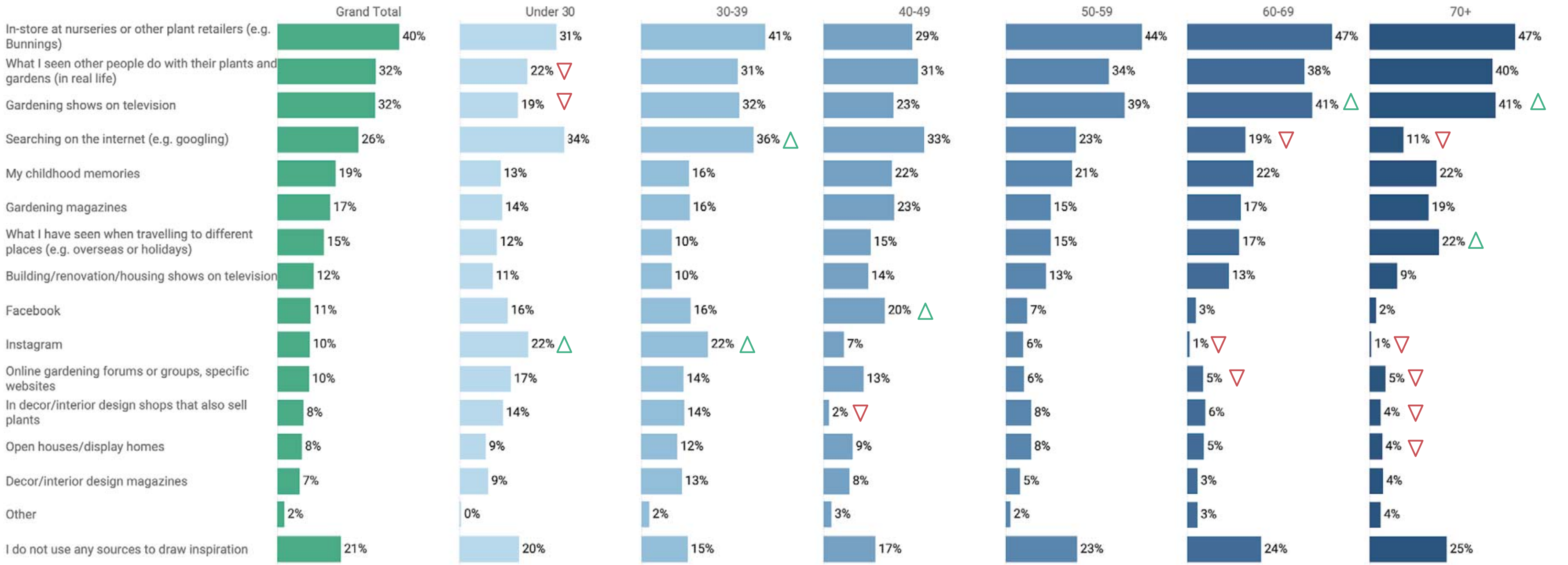
▽ Significantly lower than others α = 0.05

TheNavigators

Where do people draw their inspiration from?

Of the 75% of Australian adults that indicate they have some experience with plants and gardening, 40% indicate they use their in-store experiences at nurseries or other retailers as a source of inspiration for plants and gardening. Observing what others do in their gardens and watching shows on television are other commonly mentioned sources of inspiration. The sources of inspiration vary considerably by age with younger people more likely to use Instagram and searching the internet as a source of inspiration, middle aged people more likely to be inspired via Facebook content and older people from TV shows on gardening or from travelling to different places.

Which, if any, of the following do you use as sources of inspiration for plants and gardening?



Sample sizes: Have experience with plants and gardening n=1,266,
Under 30 n=161, 30-39 n=145, 40-49 n=147, 50-59 n=228, 60-69 n=290, 70+ n=295

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

Key takeaways based on buyer behaviour in the nursery category

Hardware stores are popular distribution channels for plants

With over 7 in 10 people who purchased plants in the last year doing so from a hardware store, it is clear that today, this is the most prominent distribution channel for the industry. Independent nurseries and nursery chains are also popular, but in terms of foot traffic, these channels are subsidiary to hardware stores.

Choice of retailer is driven by cost, range and convenience

When asked why plant buyers chose to shop at the retailers they had purchased from in the last 12 months, the majority cite the perceived cost of the plants, the range of plants available and the convenience of being able to shop the retailer as the main reasons for their choice. The perceived quality of the plants was also an important factor, but not cited as regularly as cost, range and convenience.

Examination of the difference in reasons given by those who shopped at hardware stores relative to those who did not, shows that cost and range are significantly more important among those who purchased plants from a hardware store. Cost and convenience were the two most frequently cited reasons for choosing to shop at non-hardware retailers.

Those who purchased plants from places other than a hardware store were also significantly more likely to cite secondary reasons such as wanting to support their local community, that the retailer was a nice place to visit for an outing or loyalty programs.

Given the trend towards medium and higher density living, it was interesting to note that the range of pots available at the retailer was mentioned as a reason for choosing where to shop by just over 20% of people who purchased in the category in the last year. This reason was given equally among those who purchased from hardware stores and those who purchased elsewhere.

Staff advice was also a prominent secondary consideration in the choice of retailer by approximately 1 in 5 people who purchased plants in the last year. This finding emphasises the opportunity to enhance the retail experience by providing customer service training and support for staff in nursery retail environments.

Weekend trading is critical

The majority of plant buyers tend to purchase plants on the weekend. This is particularly the case for younger buyers. Older retired and semi-retired buyers show they have greater flexibility with a higher number indicating they shop more often on weekdays, but even among these people, many will also shop for plants on the weekends.

Wanting colour in and around the home is a dominant trigger to purchase

There are many triggers to purchase, but the most prevalent is wanting to purchase flowering plants or plants with interesting foliage to bring more colour into and around the home. This desire is also reflected in flowering plants being the most frequently mentioned types of indoor and outdoor plant purchased in the last year.

The role of outdoor plants once again stands out as redoing garden areas was cited as the next most common trigger to purchase plants.

Other important triggers include replacing an existing plant that has died. In situations where the death of a plant results in an empty pot, the compulsion to purchase appears to be even greater.

Key takeaways based on buyer behaviour in the nursery category (cont.)

The trend of using of plants as a device within home decor is on the ascent and this is reflected by 1 in 4 mentioning improving the decor of the home as a trigger to purchase.

The look of the plant is a potent driver of indoor plant choice

The look of the plant is given as the most common reason for choosing a particular type of indoor plant along with other considerations such as the look they wish to achieve in the room, the colour or the foliage and flowers.

Succulents and cacti are popular indoor plant choices

The next most popular type of indoor plants purchased are succulents and cacti. Nearly one in three people who purchased plants in the last year indicated they had purchased a succulent of cacti. The preference for succulents and cacti was even stronger among the heaviest buyers in the category with nearly 1 in 2 heavy buyers having purchased this type of plant in the last year.

Suitability for the conditions/location is another core consideration

The suitability of a plant for the intended location or the conditions in the room or garden was generally the second most important consideration for the type of plant purchased for both indoor and outdoor plants.

Light buyers are significantly less likely to consider suitability when considering which plants to buy and therefore more likely to encounter difficulties in terms of keeping the plants they buy alive. While replacing a plant that has died is a trigger to buy plants, it is also likely that repeated failure to keep plants alive is a factor that undermines the confidence of buyers in the category and can stifle future purchase potential.

Low maintenance options are highly desired

For both indoor and outdoor applications low maintenance plants are being purchased frequently and this is cited by consumers as a key consideration when it comes to deciding the types of plants to purchase. Even among the more experienced and engaged heavy buyers in the category, low maintenance types of plants are commonly desired.

Affordability is also considered when choosing plants

The cost of the plants was the most frequently mentioned consideration for choice of outdoor plants and equal second with low maintenance when choosing indoor plants. Allowing consumers to access a range of plant types and plants at different price points to suit their individual budgets is important to allow as many people to participate as fully as possible in the nursery category.

Air quality and medicinal benefits are niche drivers of plant choice

These benefits were infrequently mentioned as reasons for choosing indoor or outdoor plants. At the moment, consumers base their purchase decisions on the visual appeal, suitability and ease of maintenance. Air quality and medicinal benefits may be appealing secondary benefits if these primary benefits are met, but are unlikely to become a significant driver of choice for many in the short term.

Gifting plants is popular

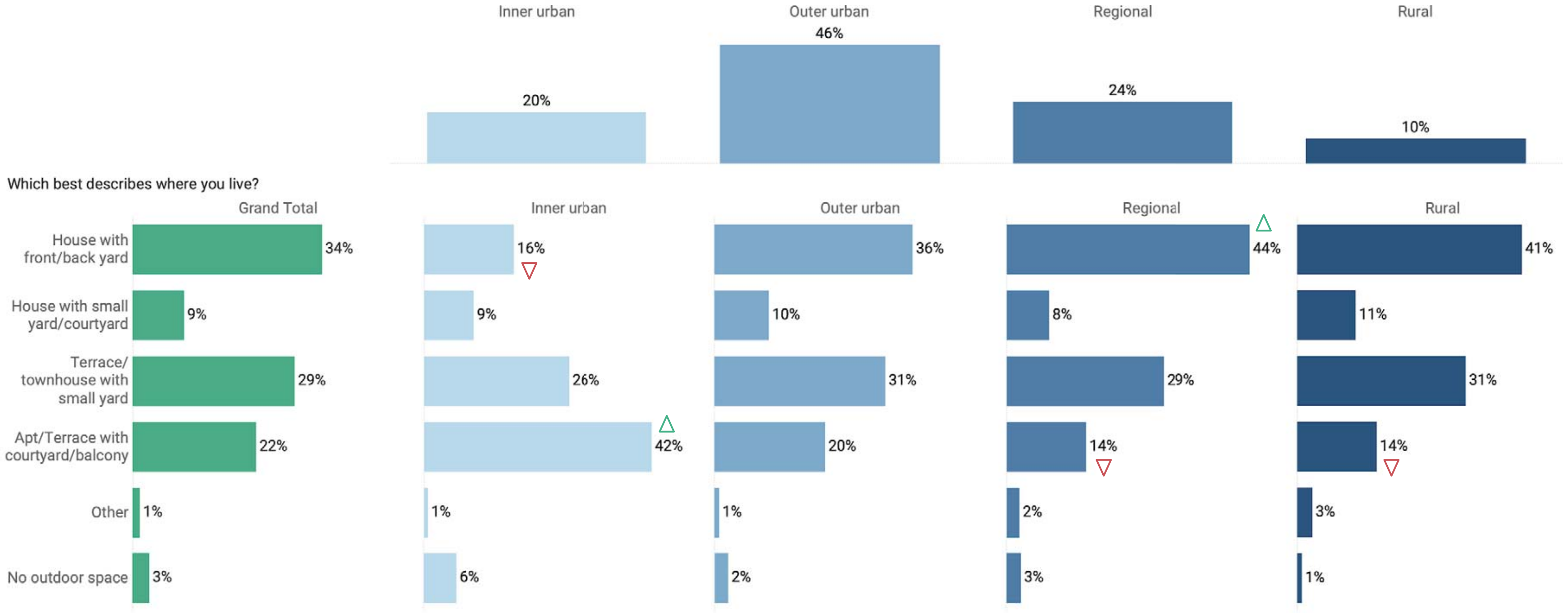
With one in four people giving and receiving plants in the last year, it is clear that buying plants for gifts is popular. There may be opportunities to further stimulate this activity by more closely linking certain types of plants as gifts for specific occasions.

Home and environment as a context for plants and gardening

TheNavigators

What is the gardening environment in Australia?

Approximately one third of Australian adults live in a house with an outdoor area of more than 100 sqm. 38% of Australians live in houses or townhouses with small yards or courtyards with less than 100 sqm of outdoor space. Just under one quarter live in apartments or terrace houses with only a courtyard or a balcony. In inner urban areas (within 15km of a capital city CBD), the ratio is almost double at 42%. People living in outer urban and regional areas typically live in dwellings with more outdoor space. However even in these areas a substantial proportion of people do also live in medium and high density dwellings.



Note: House/terrace/townhouse with a small yard/courtyard had <100 sqm of outdoor space
Sample sizes: Grand Total n=1,651, Inner urban n=316, Outer urban n=718, Regional n=442, Rural n=175

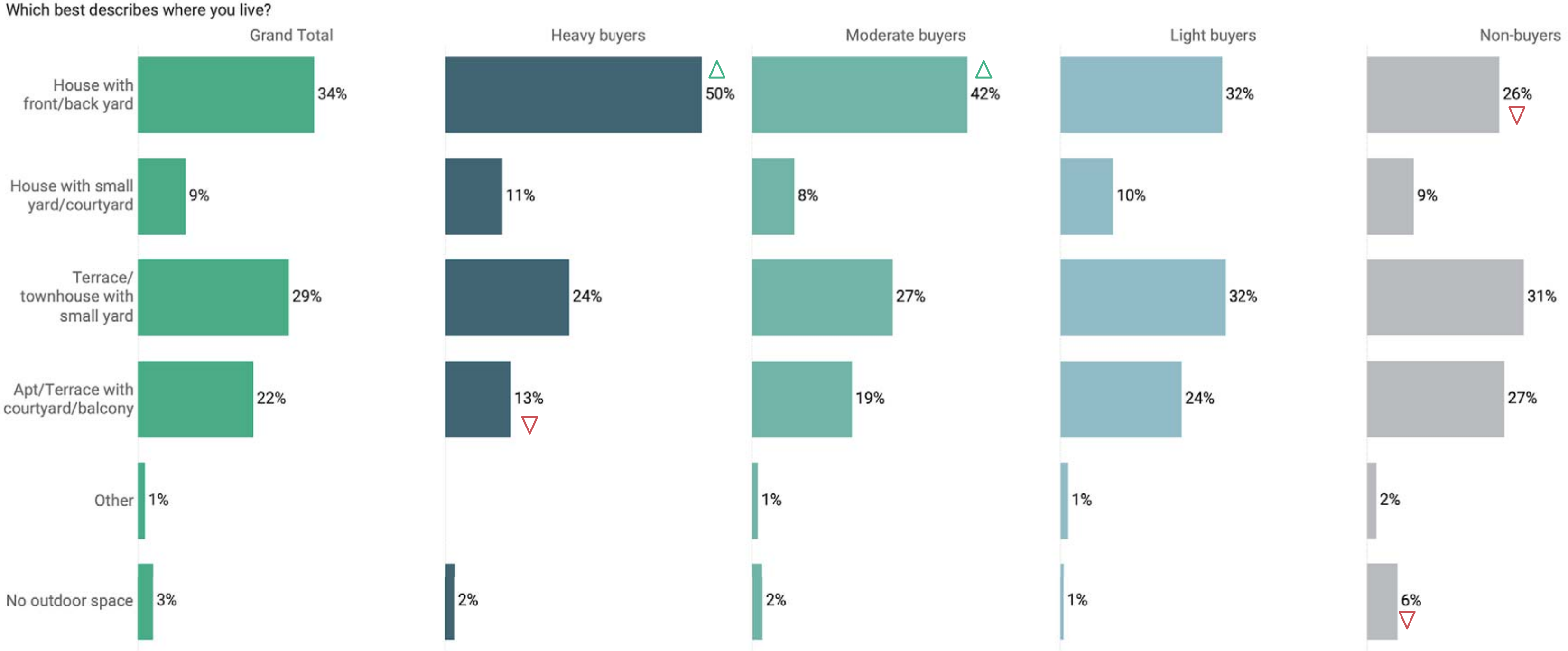
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

Space constraints emerging

Heavy and medium buyers are significantly more likely to reside in dwellings with more outdoor space and less likely to live in apartments or terrace housing with only a courtyard or balcony. Conversely non-buyers are more likely to live in these types of dwellings or apartments with no outdoor space. Space is commonly identified as a barrier to buying more plants and it would appear with a high proportion of Australians now living in higher density dwellings, that the amount and type of plants people will buy will need to be appropriate for smaller outdoor spaces.



Note: House/terrace/townhouse with a small yard/courtyard had <100 sqm of outdoor space
Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

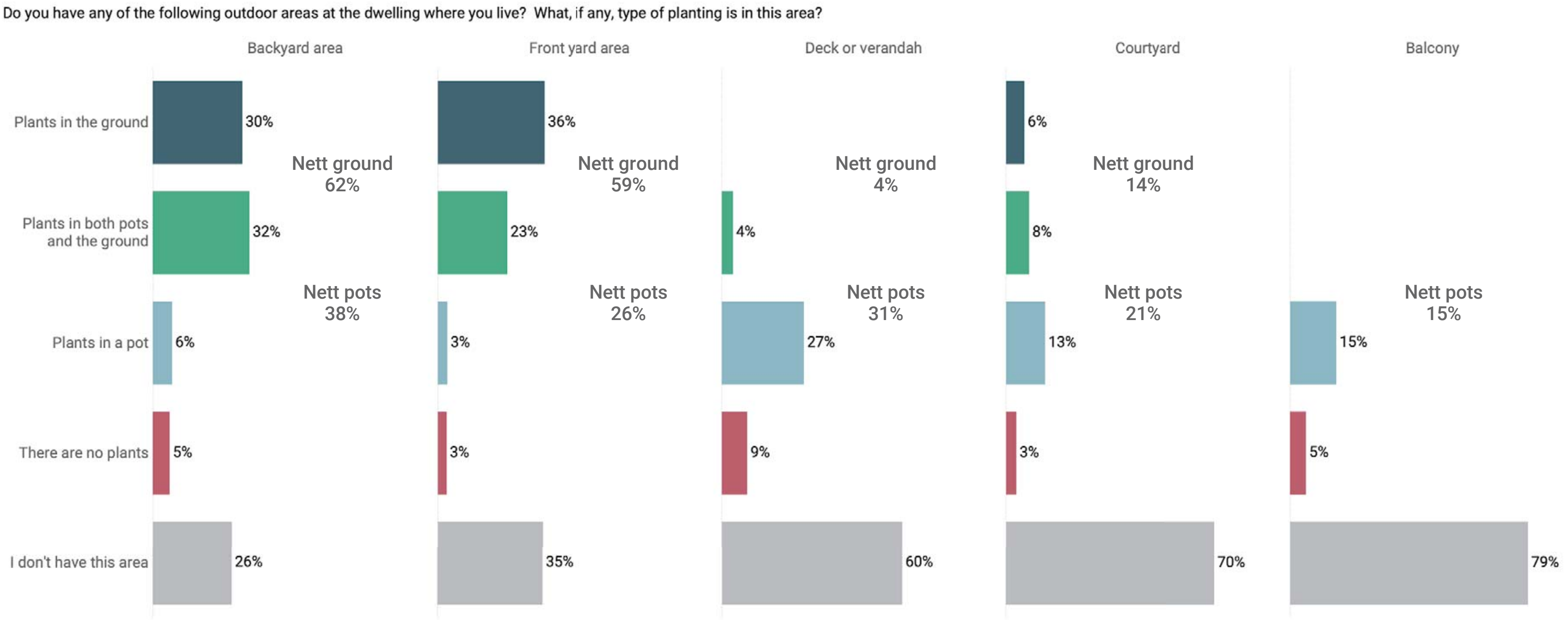
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

How many Australians have outdoor plants in the ground and in pots?

The availability of front and backyard areas increases the likelihood of people having plants growing in the ground. About 6 in 10 people with this type of space have plants growing in the ground. This doesn't mean they don't also have plants growing in pots with between one quarter and one third of people with yard areas having outdoor plants growing in pots.



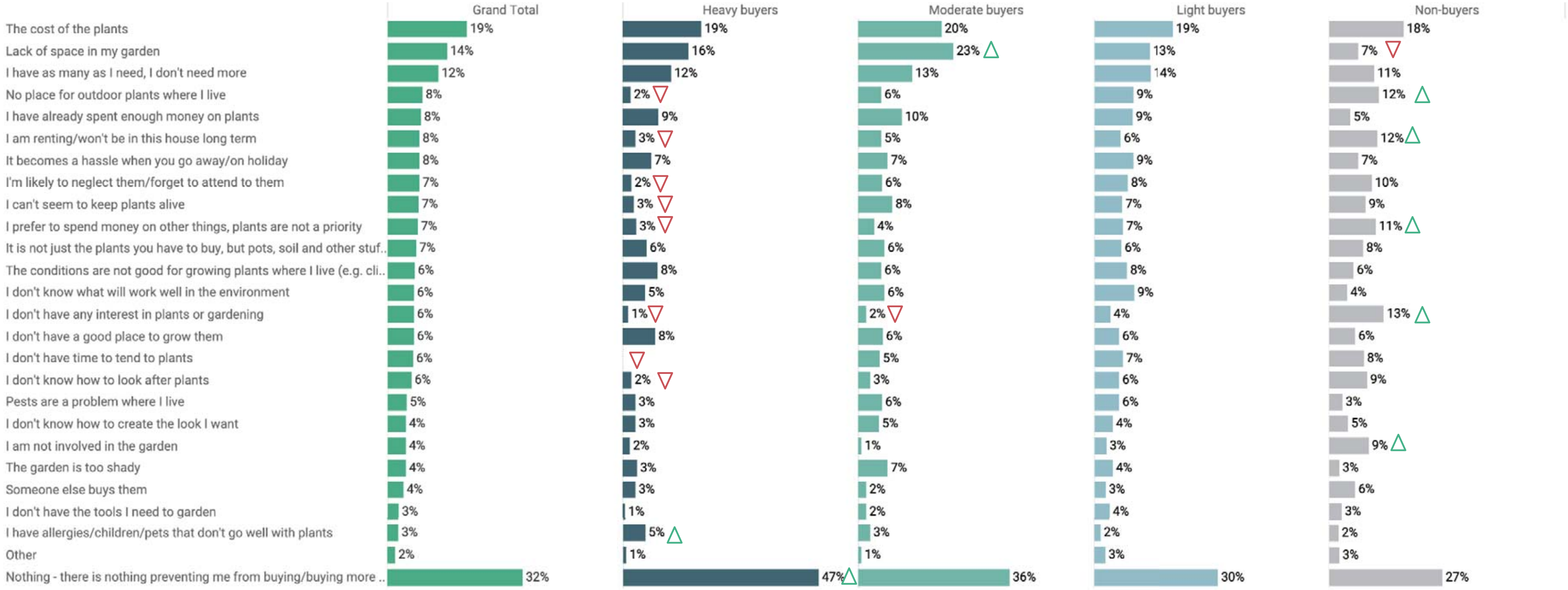
Sample sizes: Total n=1,651

TheNavigators

What barriers are preventing people from buying more outdoor plants?

The main barriers to buying and owning more outdoor plants are cost, a lack of space in the garden or feeling that they have as many as they need or want. As might be expected, heavy buyers are significantly less likely to identify any barriers to purchasing more outdoor plants. Non-buyers are more likely to not have outdoor spaces for plants where they live, be renting the home in which they live or a lack of interest in plants and gardening.

What, if anything, are the barriers preventing you from buying outdoor plants or buying more outdoor plants than you already do?



Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

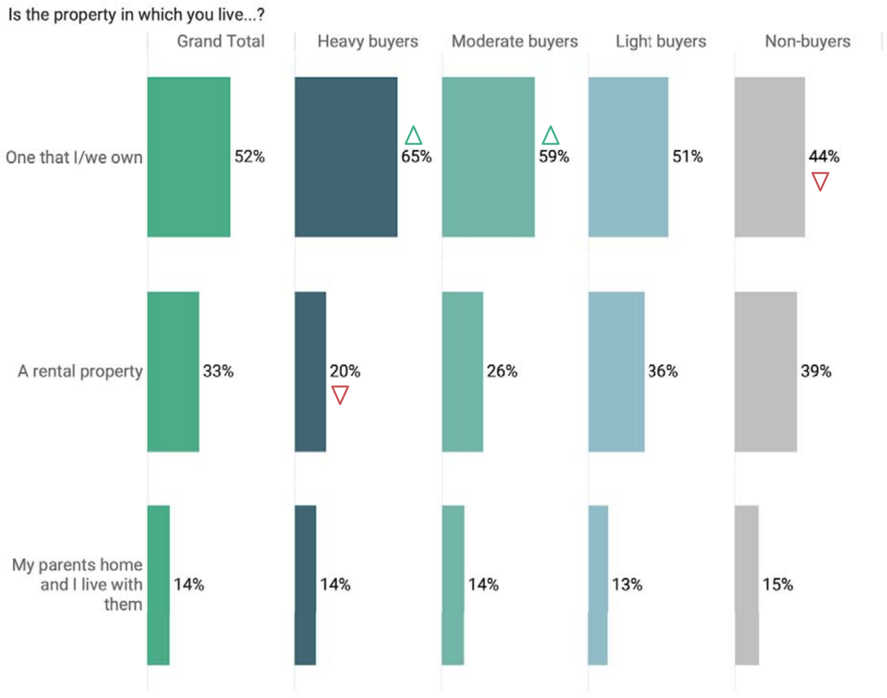
△ Significantly higher than Grand Total $\alpha = 0.05$

▽ Significantly lower than Grand Total $\alpha = 0.05$

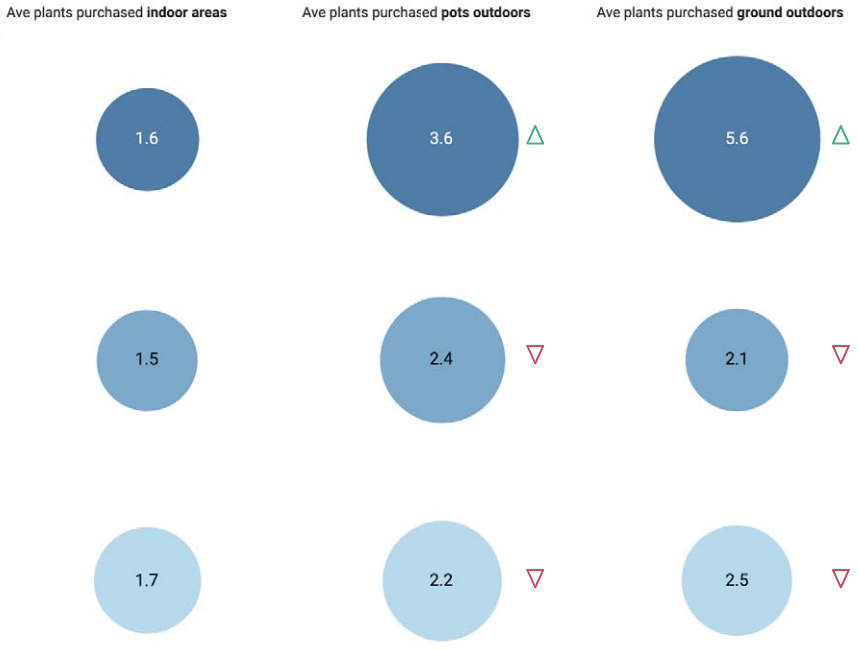
TheNavigators

What impact does property ownership have on purchase volumes?

Home ownership has a strong positive impact on the propensity for people to purchase outdoor plants. People that live in dwellings they own are significantly more likely to to buy outdoor plants for planting in both pots and the ground relative to renters or people still living with their families. As a consequence, both heavy and light buyers are significantly more likely to be living in a home they own. Note that home ownership has no discernible impact on the propensity to purchase indoor plants.



Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573



Sample sizes: A property that we own n=976, A rental property n=512, My parents home and I live with them n=155

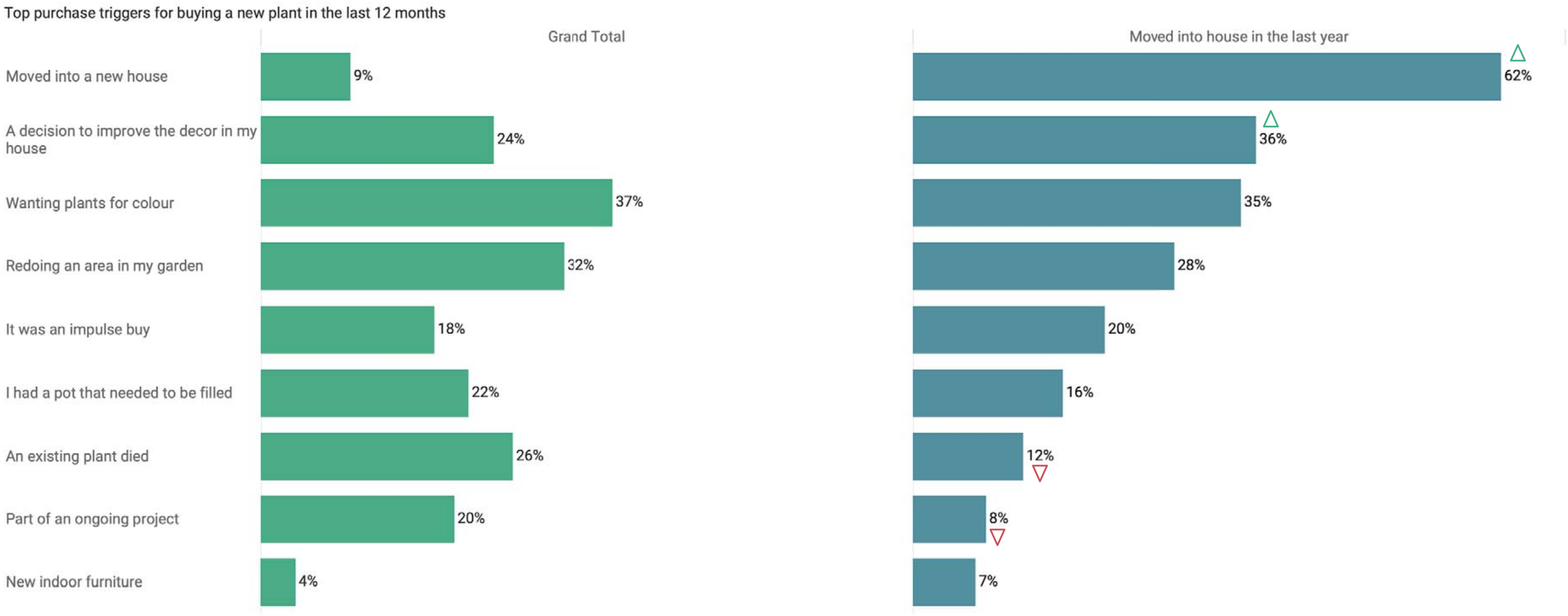
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

What impact does transience have on gardening?

Among the approximate 10% of Australians who moved into a new home in the last year, the move was a significant trigger to purchase plants. 62% of all who moved into a new home indicated that moving home was the most significant trigger to purchase plants. As they had moved into a new home there were also less likely to cite triggers such as a plant dying or an ongoing project as a prompt to purchase plants.



Sample sizes: Grand Total n=1,651, Moved in a new home in last 12 months n=138

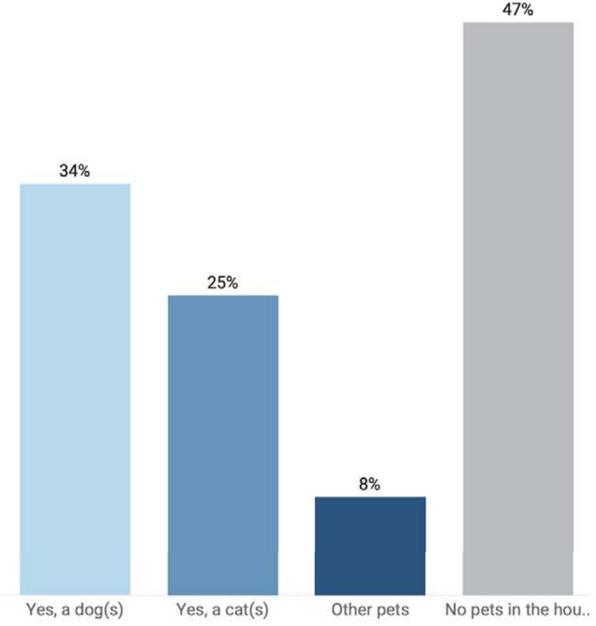
△ Significantly higher than Grand Total α = 0.05

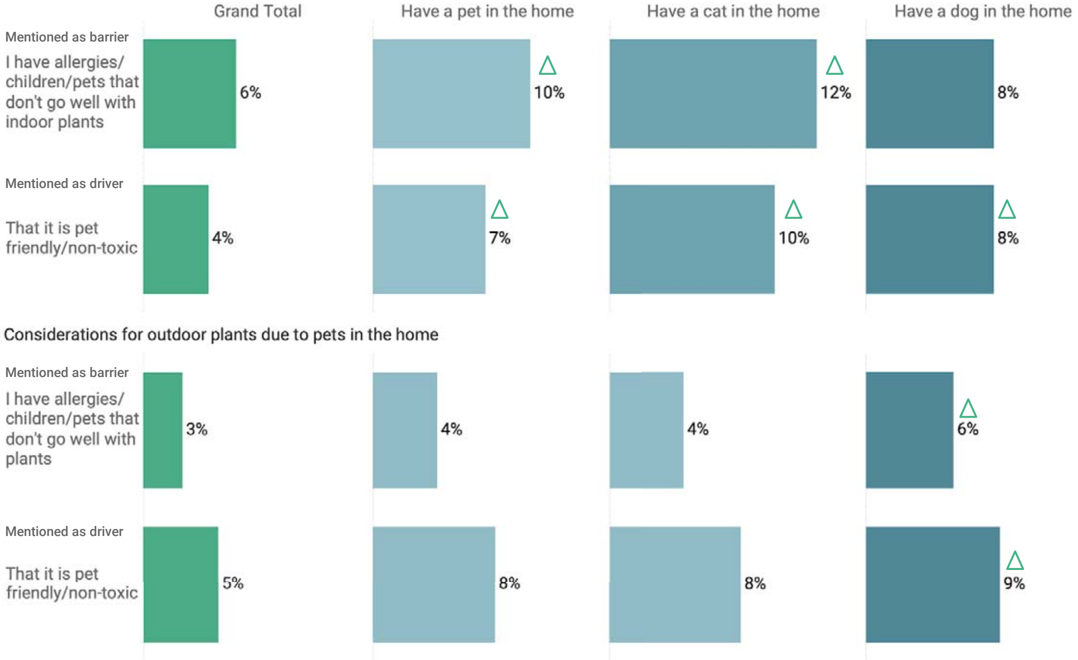
▽ Significantly lower than Grand Total α = 0.05

TheNavigators

What role do pets play?

Approximately one in two Australians have a pet in home. Amongst the total population pets are a driver of plant behaviour for approximately 5% of households, but amongst those who have a cat or dog the figure is closer to 1 in 10 taking this into account as a barrier or motivator. While there is a segment for whom this is important, the size is small.





Sample sizes: Grand Total n=1,651, Yes, a dog n=539, Yes, a cat n=402, Other pets n=144, No pets n=803, Have a pet in the home n=848

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

Key takeaways about the home and environment as a context for plants and gardening

Most people live in high and medium density dwellings

Most people live in townhouses, terraced houses or apartments with small outdoor spaces that are available for plants and gardens. As housing affordability continues to decrease and populations increase, the shift to medium and high density dwellings will continue, particularly in the urban areas of capital cities. The incidence of people living in houses with yards within 15km of capital city CBD's (inner urban areas) is only 15%.

The available space for plants limits spend in the nursery category

Heavy and medium buyers of plants are significantly more likely to reside in dwellings with more outdoor space for gardening such as houses with front and back yard areas. Nearly one in two heavy buyers live in such dwellings, while less than one in three light buyers and one in four non-buyers live in similar dwellings.

Pots have a significant role to play in all areas of the outdoor garden

People living in dwellings with courtyards, decks and balcony areas are significantly more likely to own and buy outdoor plants that are suited to pots than planting in the ground. The importance of planting outdoor plants in pots is already high and only likely to increase in the near future.

Helping novice plant buyers, particularly those with smaller outdoor spaces to know which plants are suited to potted applications and to understand how to plant and maintain potted plants will improve buyer success and future engagement in the category.

While pots will add to the cost of participating in the nursery category, they also play a role in triggering purchase when a plant dies or they become empty.

Moving home is a trigger to purchase plants

Among those who moved home in the last 12 months, over 6 in 10 indicated that this was a trigger to purchase plants, by far and away the most common trigger to buy in the nursery category.

In addition those who have been in their home for less than a year are significantly more likely to expect to spend more on indoor plants in the future than those who have been in their home for longer periods of time.

Home ownership is also related to category involvement. Heavy and medium buyers of plants are significantly more likely to own the home they live in, while non-buyers of plants are significantly less likely to own their own home. The volume of plants purchased in the last 12 months is also correlated with home ownership. People who own their own home purchased a significantly higher number of outdoor plants for both planting in both pots and the soil relative to those who do not own the home in which they live.

Perception of the environment for growing plants may limit purchasing behaviour

Non-buyer of plants are more likely to perceive the climate and soil where they live to not be conducive to growing plants. The lower levels of experience and confidence with non-buyers of plants casts some doubt on whether these environmental constraints are real or perceived. It may be that they have a limited understanding of what plants might be best suited to their home environment. Pests in the garden are said to be a concern by 1 in 5 heavy buyers.

Pet ownership is not a wide-spread consideration for purchasing plants

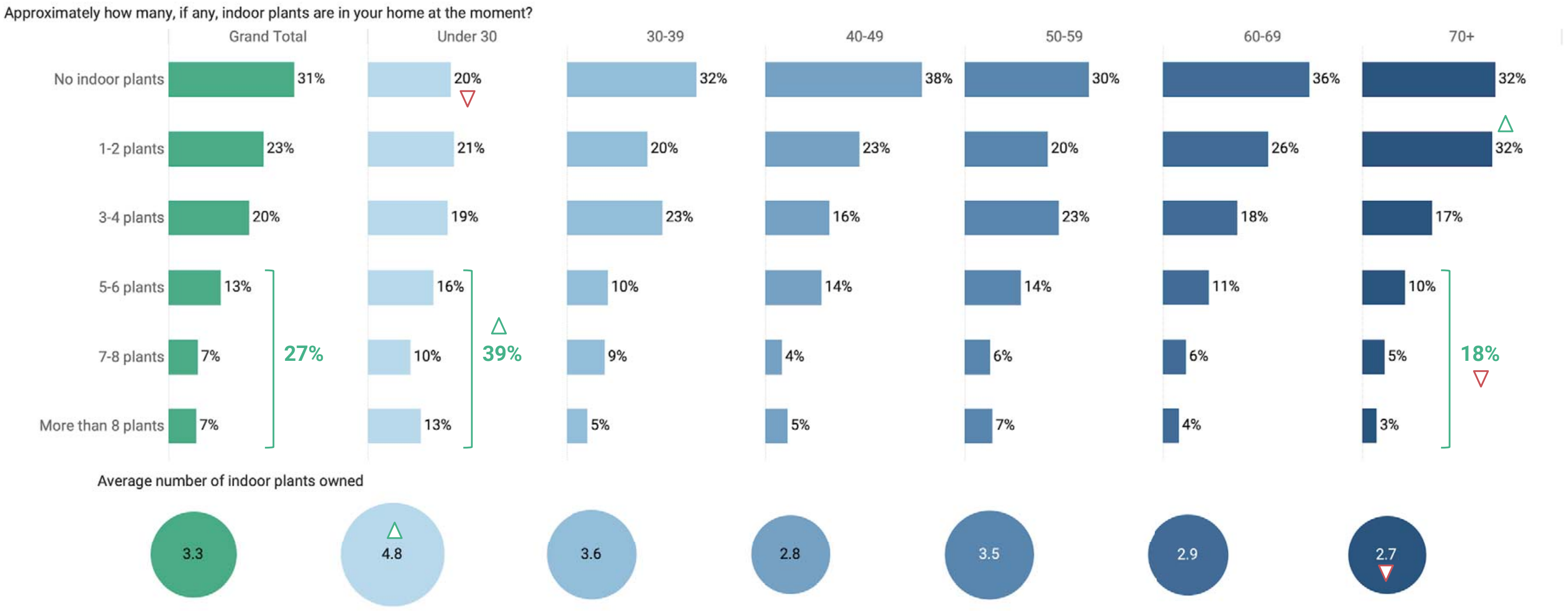
Pet ownership is prevalent with one in two people having a pet in their home, but only one in twenty people regard the suitability of plants for their pets as a consideration.

Consumer involvement with indoor plants

The Navigators

Who has the most indoor plants?

Younger people are both more likely to own an indoor plant and have a significantly higher number of indoor plants than the population as a whole. Older people aged 70 years are no less likely to own indoor plants, but tend to have fewer plants than other people.



Sample sizes: Grand Total n=1,651
Under 30 n=161, 30-39 n=145, 40-49 n=147, 50-59 n=228, 60-69 n=290, 70+ n=295

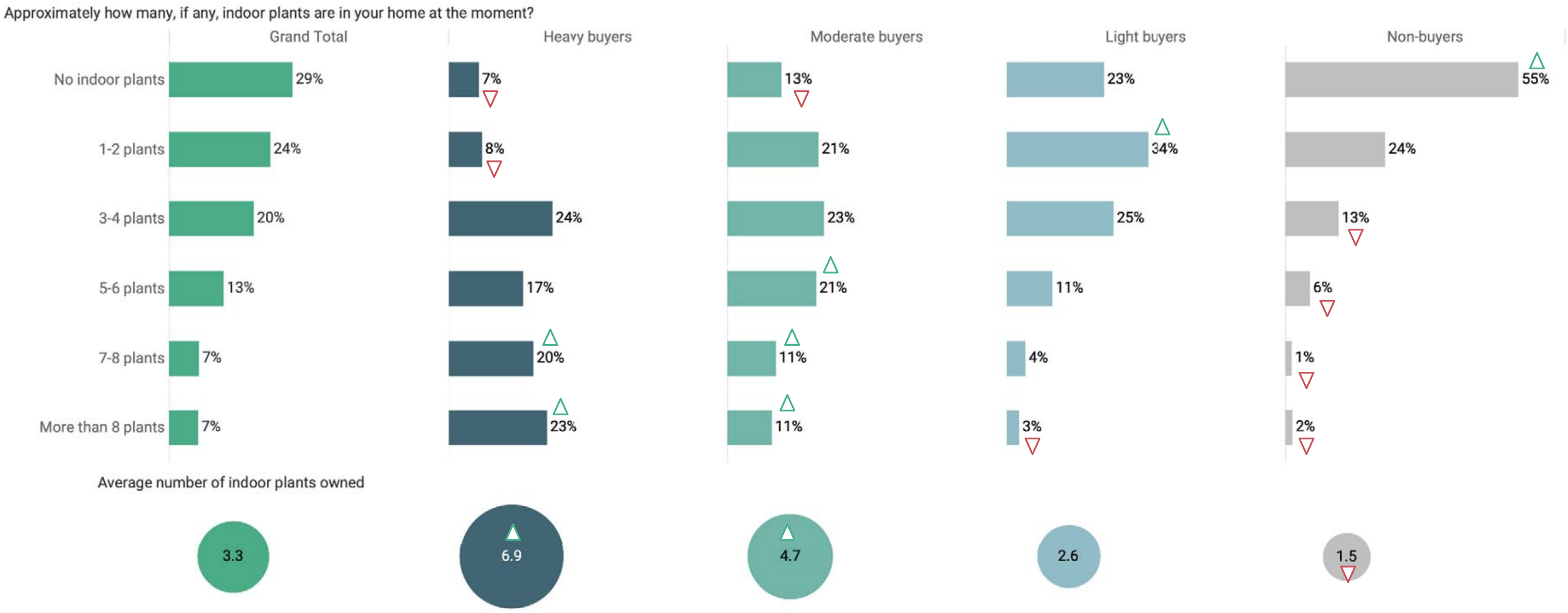
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

The Navigators

How many indoor plants do heavy category buyers own?

On average heavy buyers own approximately 7 indoor plants, nearly double the average for all Australians. Moderate buyers also own a significantly higher number of indoor plants with just under 5 per moderate category buyer. Light buyers are more likely to own between 1 and 4 plants, while more than half of people who did not buy a plant in the last 12 months do not own any indoor plants.



Sample sizes: Grand Total n=1,651,
Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

△ Significantly higher than Grand Total α = 0.05

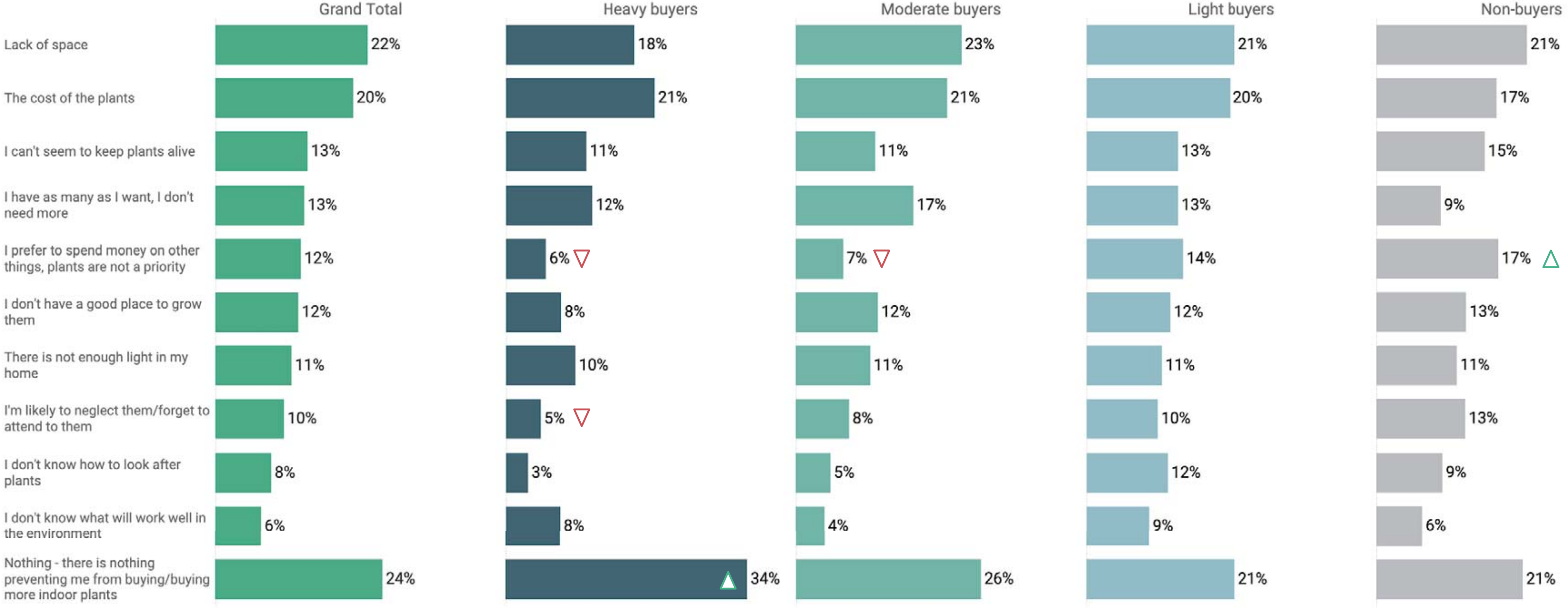
▽ Significantly lower than Grand Total α = 0.05

TheNavigators

What barriers prevent you from buying more indoor plants?

A perceived lack of space is the most commonly mentioned barrier to buying and owning more indoor plants. Overall, one quarter of people say there is nothing to prevent them from buying more indoor plants. This is even more pronounced among Heavy Buyers where over one in three say there is nothing to prevent them from buying more. This is an encouraging finding, reaffirming that there is potential for an increase in the frequency and weight of purchase among those who already have spent a considerable amount.

What, if anything, are the barriers preventing you from buying indoor plants or buying more **indoor** plants than you already do?



Sample sizes: Grand Total n=1,651,
Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

Key takeaways about consumer involvement with indoor plants

Indoor plant ownership is widespread and popular with younger people

Over 7 in 10 people indicate they currently have an indoor plant in their home.

The incidence of indoor plant ownership significantly increases among younger people, particularly those aged under 30 years. Approximately 8 in 10 under 30 year olds currently have an indoor plant in their home. The number of plants owned by this age cohort is also significantly higher than that of older people. The average number of plants owned by them is nearly 5 compared to an average of just over 3 plants for the population as a whole.

It appears many younger people are building their knowledge, confidence and experience with the category through indoor plants. Over time it is likely as these people age, that they may move to dwellings with more capacity and requirements for outdoor plants, thereby providing a platform for growing expenditures as a function of changes in living arrangements.

The availability of outdoor space has no bearing on indoor plant ownership

There was no evidence found of a relationship between the availability of outdoor space for plants and gardening and the number of indoor plants owned. The average number of indoor plants owned was very similar for those living in apartments as those living in townhouses/terraced housing or even houses with larger front and rear yards.

The absence of any relationship suggests that people generally do not tend to compensate for a lack of outdoor space by investing more heavily in indoor plants.

The number of indoor plants owned is a function of a overall involvement with plants

Heavy and medium buyers of plants were significantly more likely to also be prevalent owners of indoor plants. Heavy buyers of plants, on average have approximately 7 indoor plants in their home and medium buyers nearly 5 plants. Light buyers have just under 3 indoor plants and non-buyers between one and two.

This strong direct relationship between overall plant purchasing behavior and and the number of indoor plants owned suggests that the best buyers of indoor plants are those who are most likely to buy plants for the indoors and outdoors.

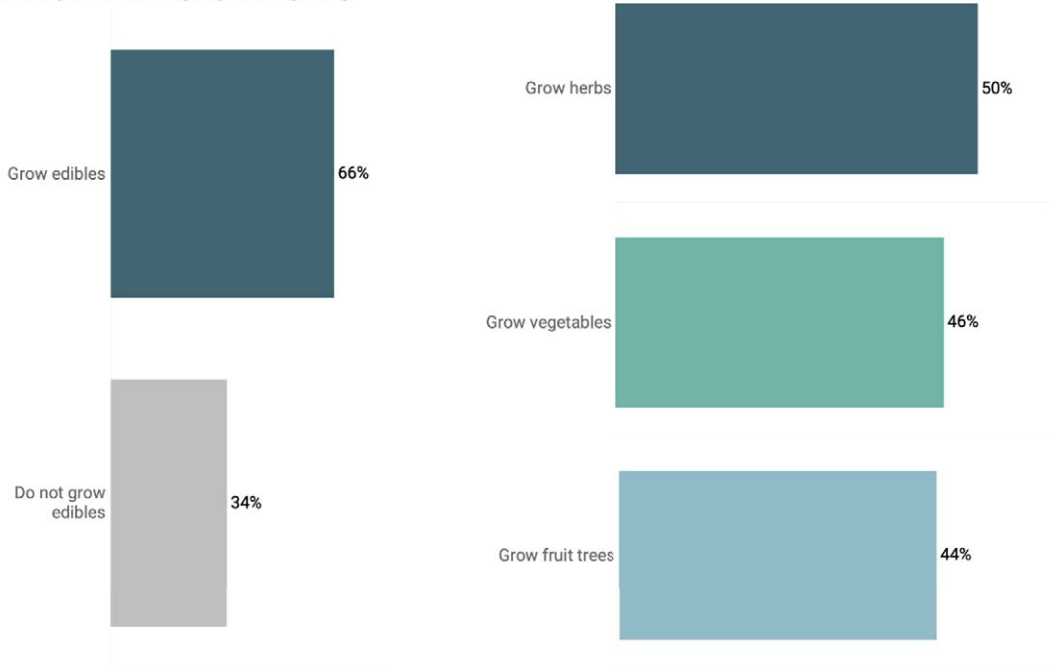
Consumer involvement with edible plants

TheNavigators

What proportion of people have edibles growing?

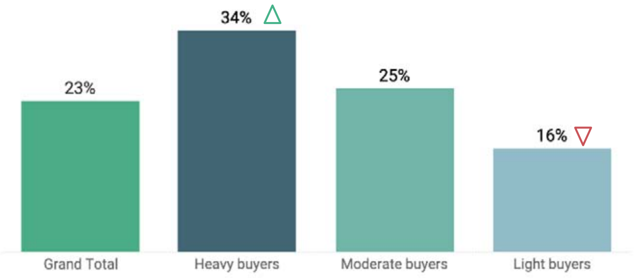
Two in three Australians are currently growing some form of edible plant. Nearly half of all adults are involved in growing herbs and vegetables and just over four in ten grow a fruit tree. In terms of recent purchases of edible plants, of those who purchased an outdoor plant in the last year, 23% indicated they have purchased at least one edible plant. Among heavy buyers, just over one in three purchased an edible outdoor plant. A similar proportion of people who purchased an indoor plant made at least one edible indoor plant purchase. Again heavy buyers were significantly more likely to have purchased at least one edible indoor plant.

Which, if any, of the following do you have growing?

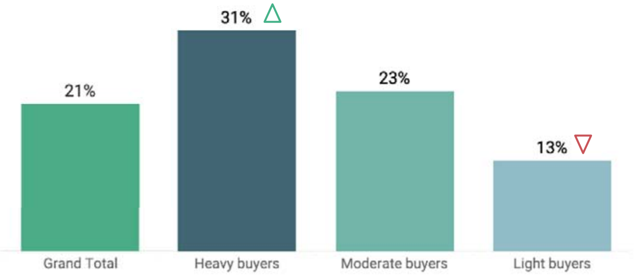


n=1,651

Of those who purchased **outdoor** plants in the last 12 months, edibles were puchased by...



Of those who purchased **indoor** plants in the last 12 months, edibles were puchased by...



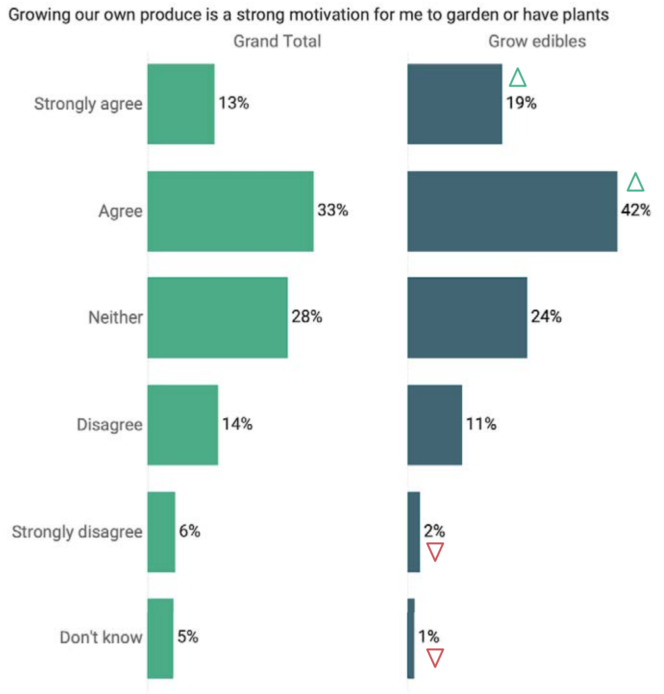
Sample sizes: Grand Total n=1,651,
Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

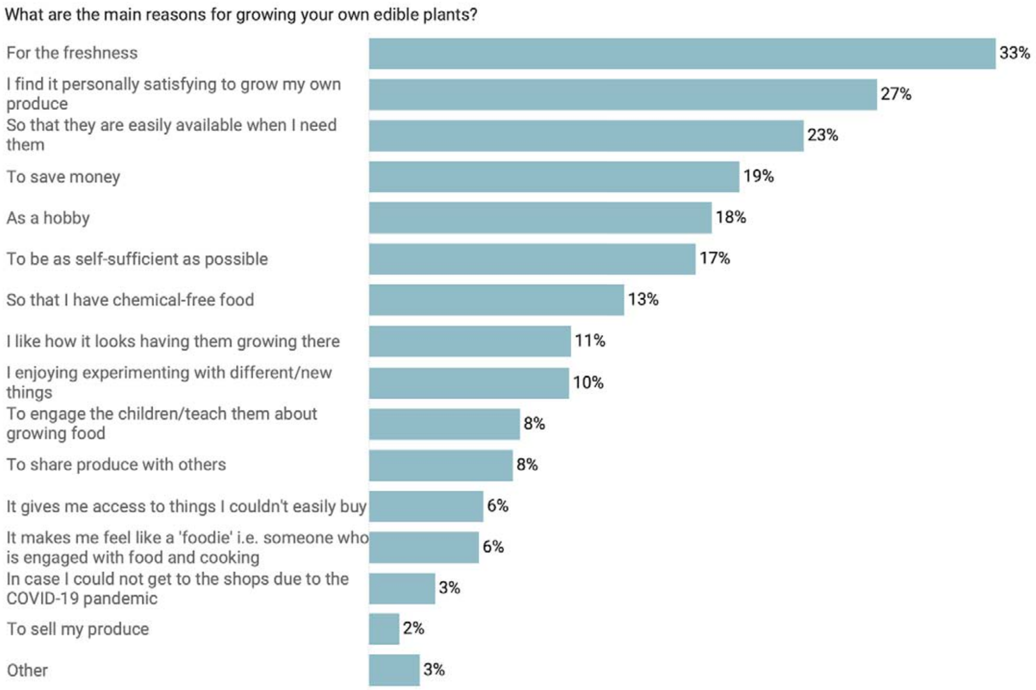
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

What motivates people to grow edibles?

Of those who grow edible plants 61% agree that growing their own produce is a strong motivation for them to do so. The freshness and availability of home grown produce are the most prominent functional benefits of edible plants among those who grow them. Many also derive intrinsic reward for growing their own edible plants with 27% indicating personal satisfaction is a primary reason for doing so.





Sample sizes: Grand Total n=1,651, Grow edible plants n=1,100

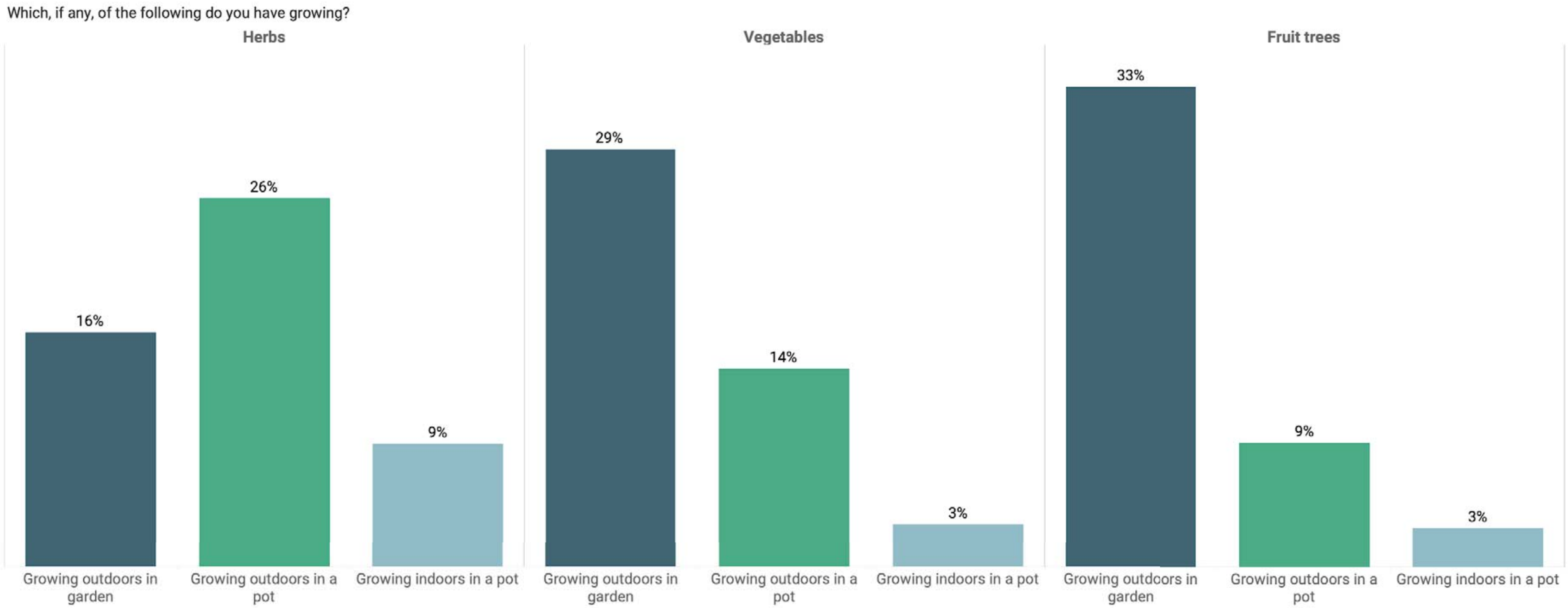
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

Where are edibles being grown?

The location for growing edible plants varies as one might expect by the type of edible plant being grown. Herbs are more likely to be grown outdoors in a pot while vegetables and fruit trees are most likely to be grown outdoors in the soil.



Sample sizes: Grand Total n=1,651

TheNavigators

Key takeaways about consumer involvement with edible plants

Growing edible plants is widespread and popular

Nearly 7 in 10 people indicate they currently are growing some form of edible plant in their home with the types of plants grown evenly distributed across herbs, vegetables or at least one fruit tree.

Of those who purchased outdoor plants in the last year, just under 1 in 4 people purchased some form of edible plant. Among those who purchased indoor plants in the last year, just over 1 in 5 purchased an edible plant.

The incidence of buying edible plants is highest among those who purchase more in the category. Among heavy buyers the purchase of indoor and outdoor edible plants was significantly higher.

Growing edible plants is strong motivation for people to enjoy plants and gardening in general

Among those who grow edible plants, most (61%) are likely to agree that growing their own produce is a strong motivator for them to garden and have plants.

People that grow edible plants are motivated by the benefits of having easily available fresh produce. They also appear to gain significant intrinsic reward from growing their own food.

Smaller, but a not insignificant proportion of edible plant growers also cite saving money and being more self-sufficient as reasons why they choose to grow edible plants. These motivators do appear to be secondary to the main benefits of freshness and ease of availability.

Potted edible plants are prominent

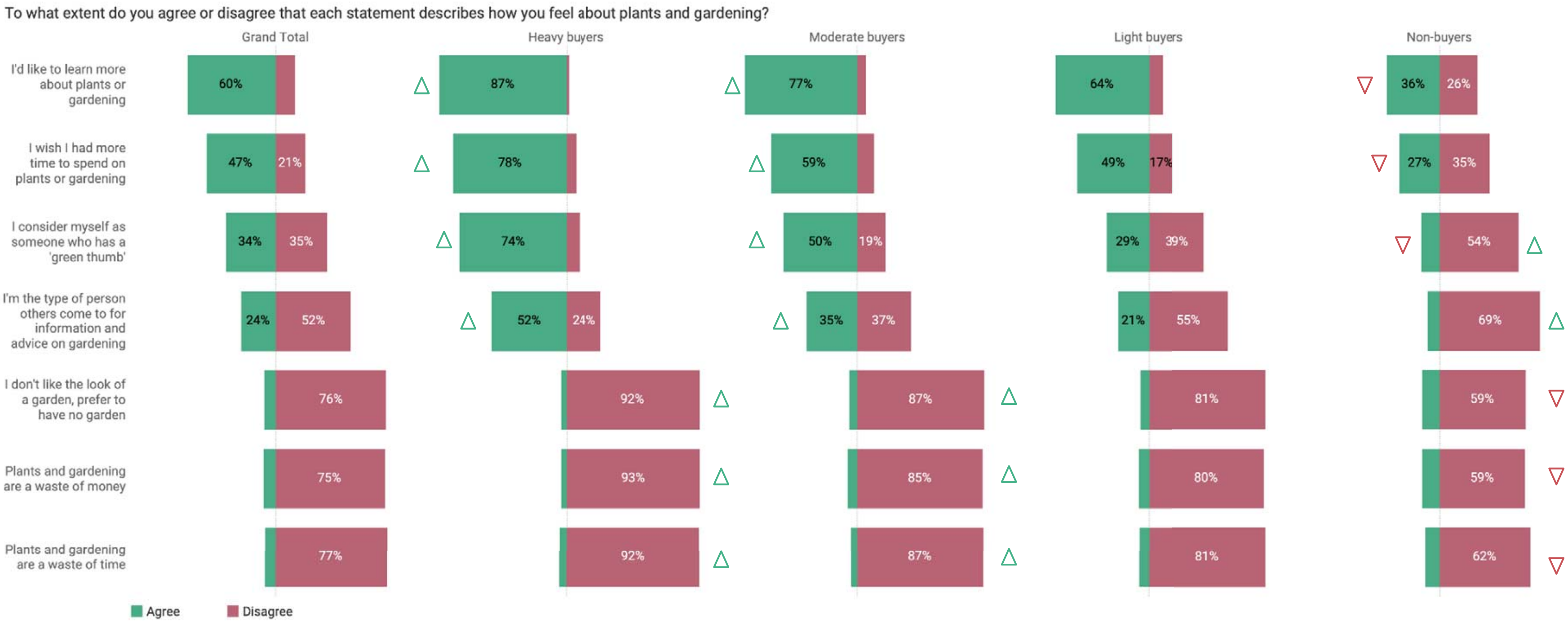
Similar to the broader prevalence of potted plants, a high proportion of people use pots to grow edible plants, particularly herbs. While 16% of all Australian adults report growing herbs outdoors in the ground, approximately double that proportion have herbs growing in pots either indoor or outdoors.

Attitudes towards plants and gardening

TheNavigators

Attitudes towards plants and gardening

Overall, the majority of Australian adults would like to learn more about plants and gardening. The thirst for learning more is strong even among those who already purchase heavily in the category, suggesting their passion for plants extends to a strong desire for continued learning. Very few people agree with the notion that plants and gardening are a waste of time and money, although among non-buyers the strength of the disagreement is somewhat weaker than for those who have purchased plants in the last year.



Sample sizes: Grand Total n=1,651,
Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

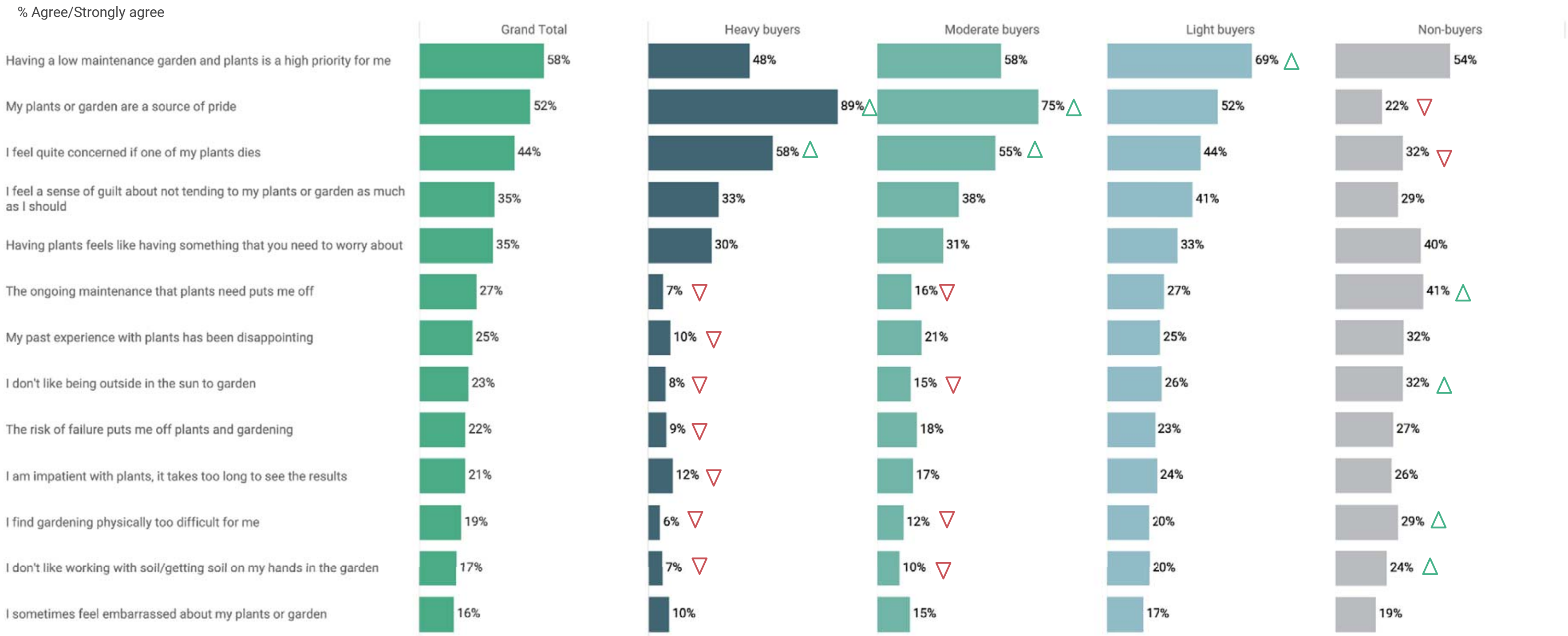
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

Motivational statements about gardening

The desire for low maintenance plants and gardens is common across Australian adults. Even one in two heavy buyers agree that low maintenance plants and gardens are a priority for them. This desire is particularly strong among light buyers with nearly 7 in 10 agreeing with the statement. Pride in plants and gardens are a strong motivator for the heavy and moderate buyers and they typically show little agreement with negative attitudes toward plants and gardening. Such attitudes are more prevalent among non-buyers in particular.



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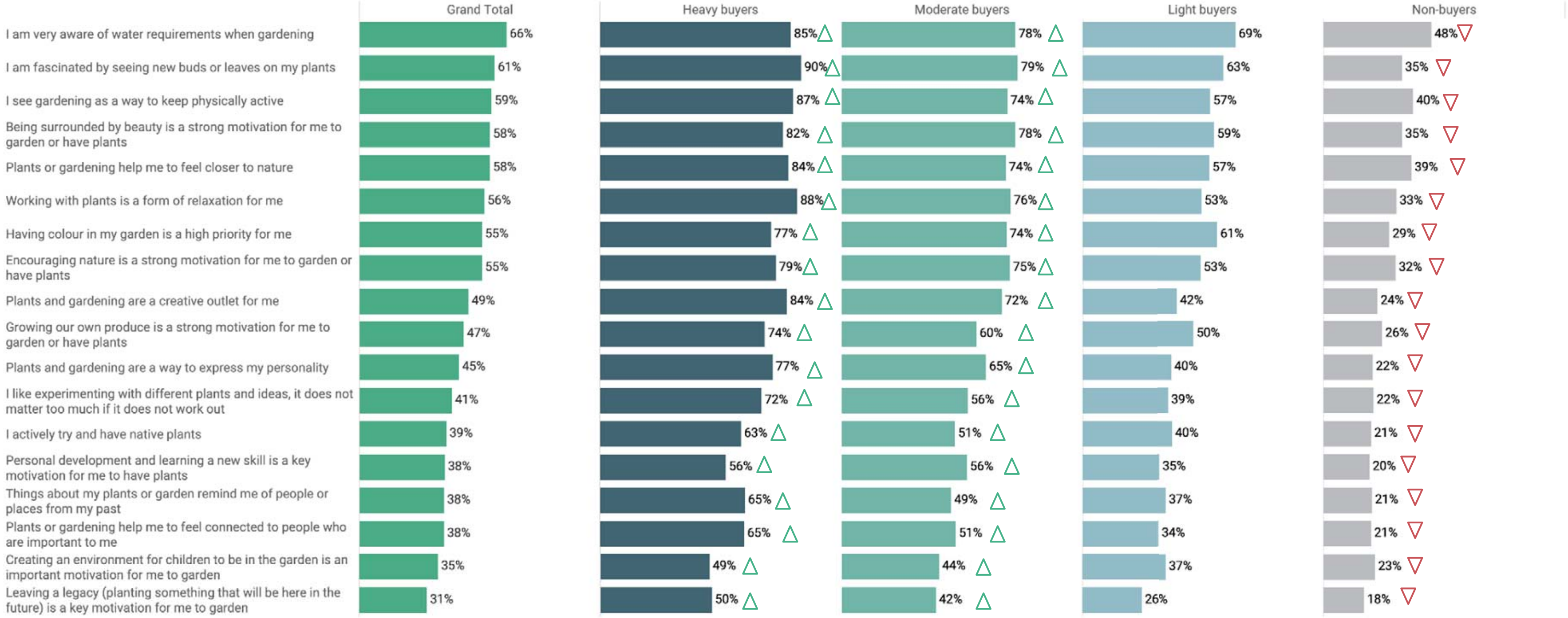
TheNavigators

General attitudes towards gardening

Respondents were asked the extent to which they agreed or disagreed with a number of attitudinal statements that could be used to describe their approach toward plants and gardening. The likelihood of people agreeing with each statement was highly correlated with with their weight of purchase with heavy and medium buyers significantly more likely to agree with each statement than non-buyers in the category.



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TheNavigators

Key takeaways about attitudes towards plants and gardening

Plants and gardens are a source of pride for many

Agreement with the statement "plants and gardens are are source of pride for me" was one of the highest off all attitudes explored in this study. This finding reflects the simple truth that in addition to whatever intrinsic pleasure people derive from plants, many want others to recognise what they have achieved with plants and gardens in and around their homes. They are making a statement to the broader world about their sensibility in being able to curate beauty from the natural world.

Low maintenance is highly desired

The statement with the highest overall level of agreement, "having low maintenance plants and gardens is a priority for me" reflects the universal appeal of minimising time, effort and risk when it comes to creating the plant or garden environment people desire.

Even the heaviest buyers in the category, who are also the most emotionally involved and experienced, desire low maintenance solutions in the main. Interesting plants and garden solutions that can ease maintenance burdens will consistently find a willing audience.

Connecting with nature is highly motivating

A great majority of people see involvement with plants and gardening as a valued way of feeling closer and more connected to nature. Many people are fascinated by observing new buds and leaves on plants and relish the feeling of being surrounded by natural beauty.

Time spent tending to plants and gardening delivers intrinsic benefits for many people

Many people agree that plants and gardening gives them a sense of inner tranquility, relaxation and an outlet for their creativity. These intrinsic benefits are less about the plants themselves and more about how their involvement with plants enhances their overall wellbeing.

Awareness of water requirements is very high

Water management and water conservation appears to be a salient issue for many people with over 1 in 6 indicating that they are very aware of the water requirements of their gardens.

Emotional involvement with plants is highly associated with buying behaviour

The strength of agreement on almost all attitudinal dimensions between heavy and medium buyers on the one hand and light and non-buyers on the other, reflect dramatically different mindsets when it comes to plants and gardening.

The discipline of behavioural science has demonstrated that attitude formation does not consistently precede behaviour and in some cases attitudes are shown to form and deepen following behaviour. The ability to shift attitudes and emotional involvement among non-buyers of plants may be to "seed" a plant owning or buying behaviour as a platform that will allow them to discover or rediscover the intrinsic or extrinsic benefits of plant ownership.

The perceived effort involved in maintaining plants is a major barrier for non-buyers

People who have not purchased plants in the last year are significantly more likely to agree with statements that characterise an aversion to the effort required to maintain plants and some of the physical characteristics associated with gardening outdoors, such as exposure to the sun, getting dirt on their hands and general physical effort.

People with such attitudes may be more receptive to low maintenance solutions for indoors and smaller spaces for people who do find outdoor gardening challenging in these ways.

Identifying consumer segments in the nursery market

TheNavigators

Category purchase behaviour and intent as framework for segmentation

To identify opportunities for growth a consumer value segmentation model has been developed for which recent purchasing behaviour and intended future purchasing behaviour in the indoor and outdoor sub-categories and the type of dwelling forms the basis. The survey variables used as inputs for developing the segmentation model are shown below.

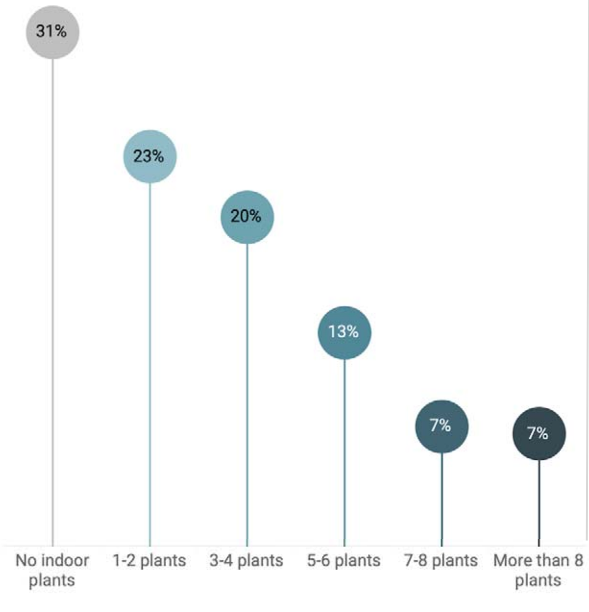
Indoor Value Inputs	Outdoor Value Inputs
• Number of indoor plants at home • Number of indoor plants purchased in last 12 months • Intended future spend on indoor plants	• Number of outdoor plants purchased in last 12 months • Intended future spend on outdoor plants • Type of dwelling - amount of outdoor space

A Latent Class clustering method was used with the value from the above categorical variables. Optimal AIC and BIC values were obtained for an eight cluster solution. The outputs from the Latent Class procedure for the optimal eight segment solution is shown in the appendix to this report.

Market segmentation - Indoor value inputs

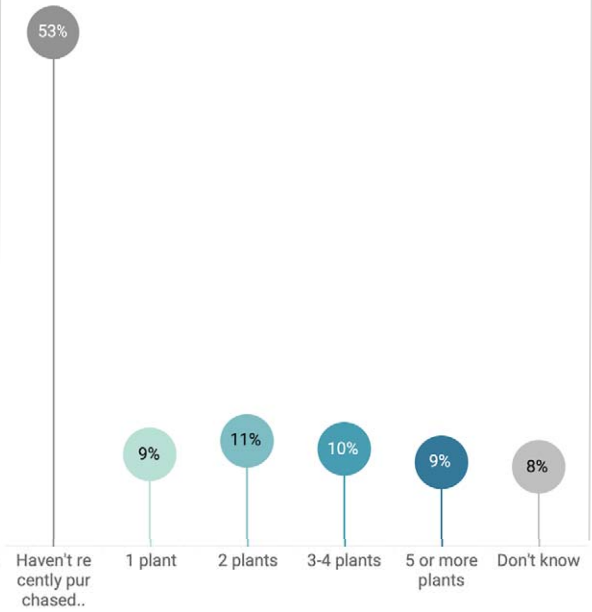
The distribution of responses to the indoor value input variables for creating the market segmentation are shown below. The classifications shown are those that were used in the development of the segmentation using a Latent Class clustering procedure.

Approximately how many, if any, indoor plants are in your home at the moment?



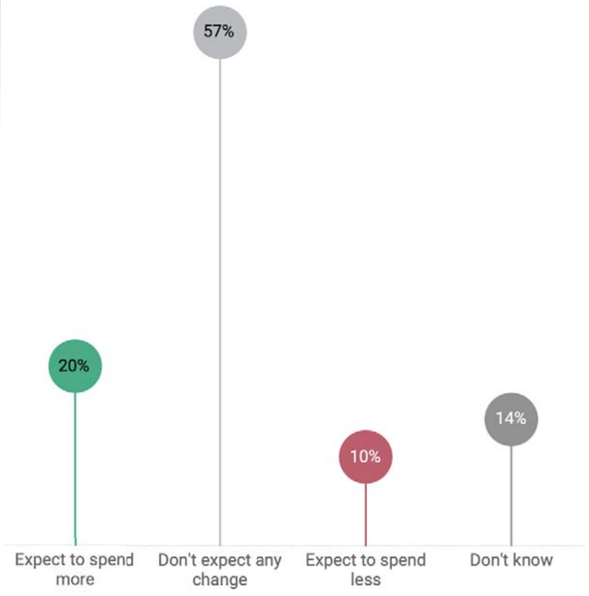
n=1,651

Approximately how many plants have you bought in the past 12 months for indoor areas?



n=1,651

Over the next few years do you expect the money you spend on **indoor** plants to increase or decrease?



n=1,651

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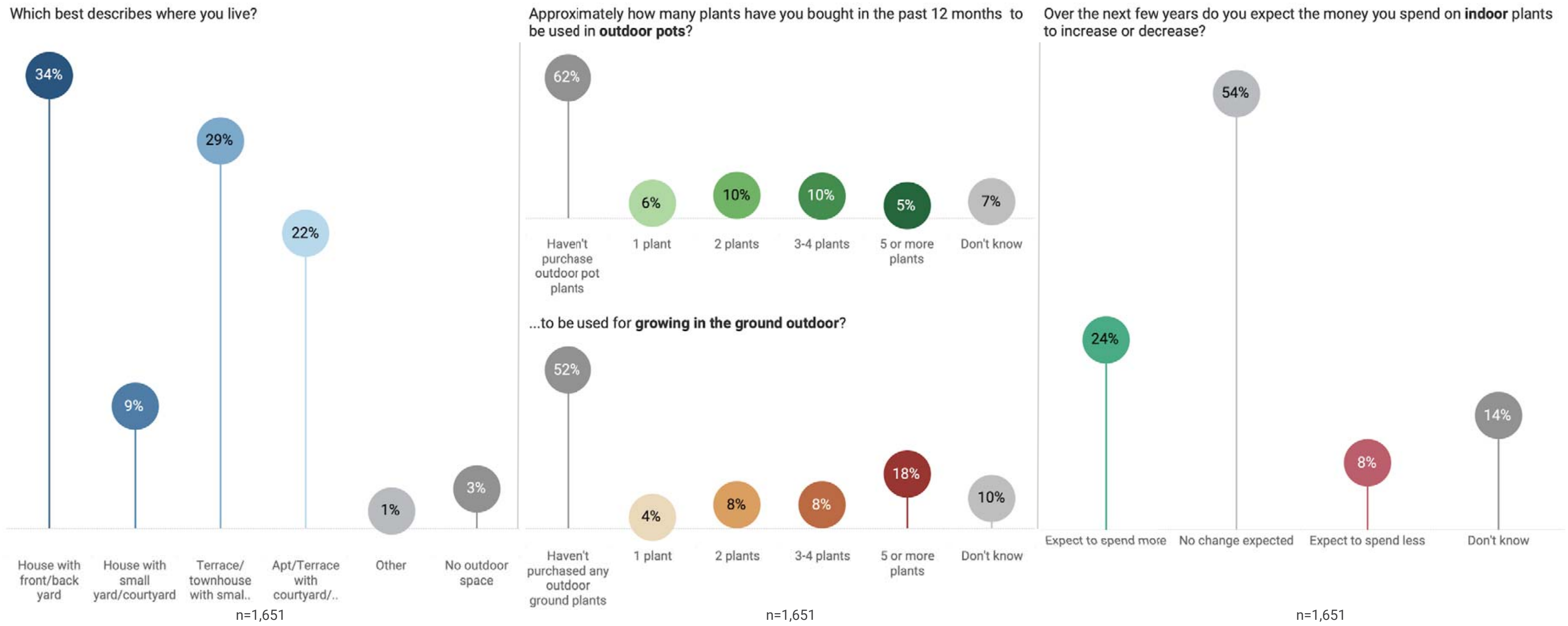
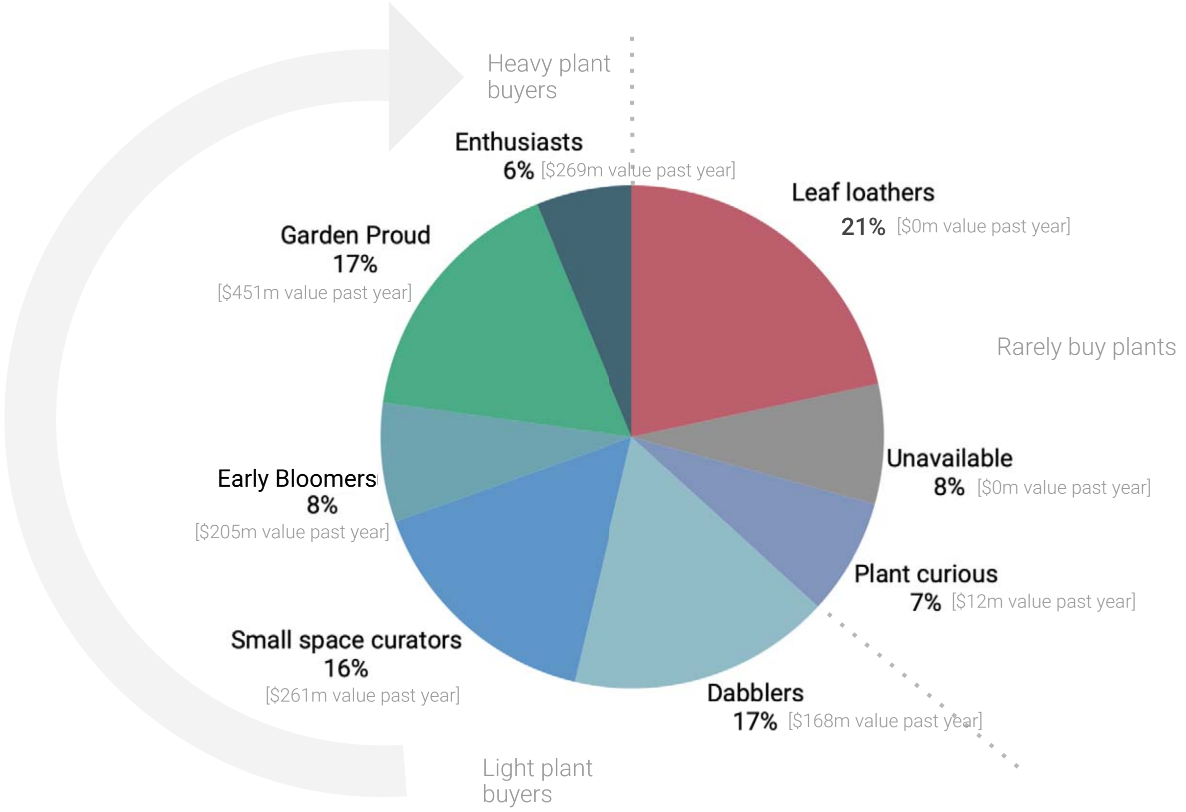
Market segmentation - Outdoor value inputs

The distribution of responses to the outdoor value input variables for creating the market segmentation are shown below. The classifications shown are those that were used in the development of the segmentation using a Latent Class clustering procedure.



A total of eight consumer value segments were identified

The segmentation analysis identified an optimal number of segments based on the indoor and outdoor plant buying and owning variables described earlier. The size of the resulting segments is shown below, based on the proportion of adult Australians who make up each segment. The propensity of segments to buy plants varies from those who rarely buy plants (Leaf Loathers) through to frequent, heavy buyers of plants (Enthusiasts).



Sample sizes: Total n=1,651

Enthusiasts

- Love plants, indoors and outdoors
- Derive huge pleasure from tending to plants
- They consider themselves to be "gardeners"
- Confident and self assured in their knowledge of plants, they are the people others go to for advice and inspiration
- They tend to live in dwellings with plenty of space to nurture their passion
- Their love for plants is matched by their spend, 3x more than the average person
- They are also passionate about environment and sustainability issues

Early Bloomers

- These people also focus on both the indoors and outdoors of the smaller houses and townhouses they occupy, usually in outer urban areas
- They are younger, newer to the category and less assured than the Enthusiasts and Garden Proud, but want to learn and do more
- They are the third highest spenders in the category and display a level of motivation and interest in learning that may see their spend grow
- What's holding them back a little is keeping indoor plants alive and knowing what will work in their small yards and courtyards

Dabblers

- A large segment who spent a small amount on plants over the last year
- They have a few indoor plants, but tend to put their modest investment into plants for their backyards
- They are reasonably confident in their knowledge and skills
- While some cite capacity constraints in terms of insufficient space or having enough plants already, the thing that really holds them back is motivation
- While they don't loath gardening, they are not thrilled by it either
- Easy, low maintenance solutions to make their garden look good

Unavailable

- These people have not purchased plants in the last year
- They are more likely than many to live in rental dwellings with little outdoor space
- Most do not own any indoor plants and the great majority have no experience with plants or gardening
- They show little interest or motivation in plants and gardening
- Unlikely to consider themselves to be a nature lover or enjoy spending time outdoors.
- They are more likely than most to describe themselves as an indoors person.

Garden Proud

- These people enjoy plants and gardening and are motivated by the way their yard looks
- These people spend most of their efforts outdoors, creating a pleasant environment to be in and look at
- They relish growing their own produce
- They tend to be older than average with most aged over 50
- They also tend to live in homes they own in outer urban, regional and rural areas
- They are valuable as one of the larger segments and because they spend more in the category than most.

Small Space Curators

- Younger and more likely to be female these people more most likely to be found renting apartments and smaller properties in urban areas
- Their plant focus is primarily potted plants for indoors and courtyards and balconies
- They are inspired by colour and wanting to be surrounded by beauty
- Leveling-up the decor in their home is a strong trigger to purchase for these people
- They are not plant lovers, but appreciate the look plants can bring to their home environment

Plant Curious

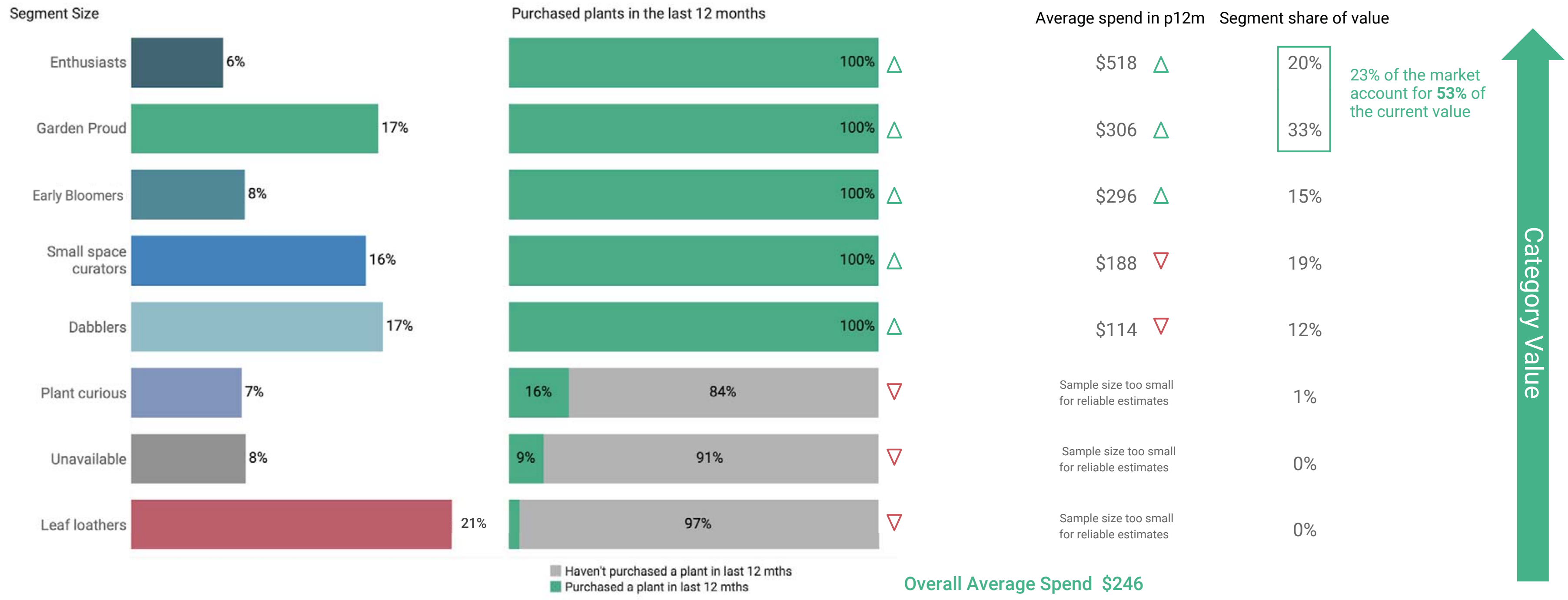
- These people haven't purchased a plant recently, but have participated in the category in the last few years
- Generally younger people who are single or living as a couple in smaller rented dwellings
- They may have a small number of indoor plants, but don't think of themselves as capable plant people
- They consider themselves to be nature lovers, but have had bad experiences in keeping plants alive in the past and don't rate their ability to keep plants alive in the future highly
- But, they show an inkling of interest in knowing more and spending more time on plants

Leaf Loathers

- These people have not purchased plants in the last year
- They have fewer constraints as they more likely to reside in a dwelling they own and have access to outdoor yard areas in which they grow plants in the ground
- Despite this they show little interest and involvement in plants and gardening and few own indoor plants.
- They are particularly adverse to the idea of learning more or having more time to spend on plants and gardening
- They are also more likely to say they have no involvement in whatever outdoor garden areas are at their home.

The consumer value segments are strongly predictive of average category spend

All members for five of the eight category value segments have purchased indoor or outdoor plants in the last 12 months. The value of purchases made in the category increases from the light buying Dabblers through to the heavy buying Enthusiasts. The average spend on plants in the last 12 months was significantly higher among the Enthusiasts, Garden Proud and Early Bloomer segments. The two highest spending segments account for only 23% of the total market, but for 53% of the total expenditure in the category over the last year.



Sample sizes: Total n=1,651,
Enthusiasts n= 96, Garden Proud n = 327, Early Bloomers n = 110, Small Space Curators n=245, Dabblers n= 280,
Plant Curious n= 117, Unavailable n= 123, Leaf Loathers n= 353

△ Significantly higher than Total α = 0.05
▽ Significantly lower than Total α = 0.05

TheNavigators

Type of dwelling lived in

Small Space Curators and the Plant Curious are more likely to live in an apartment or terrace with a courtyard or balcony or small yard with 67% and 60% respectively in these types of dwelling. Enthusiasts and Garden Proud are more likely to live in a house with a moderate to large back yard. Dabblers are also more likely to live in a medium density dwelling such as a terrace or townhouse with a courtyard than the average Australian.

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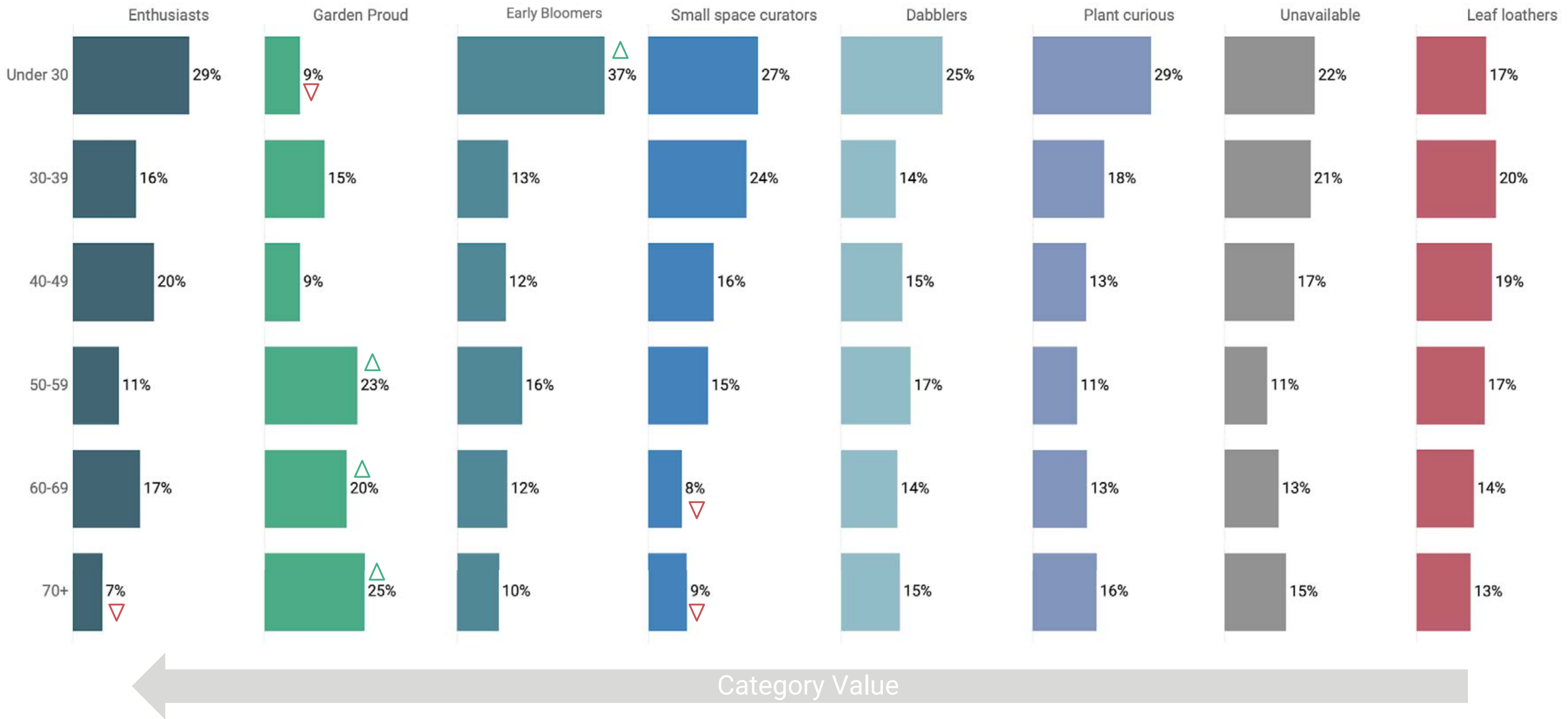
Nursery market segments by age

The Garden Proud are a significantly older segment than others with 68% aged over 50 years. Early Bloomers are the youngest segment with 37% aged under 30 years.



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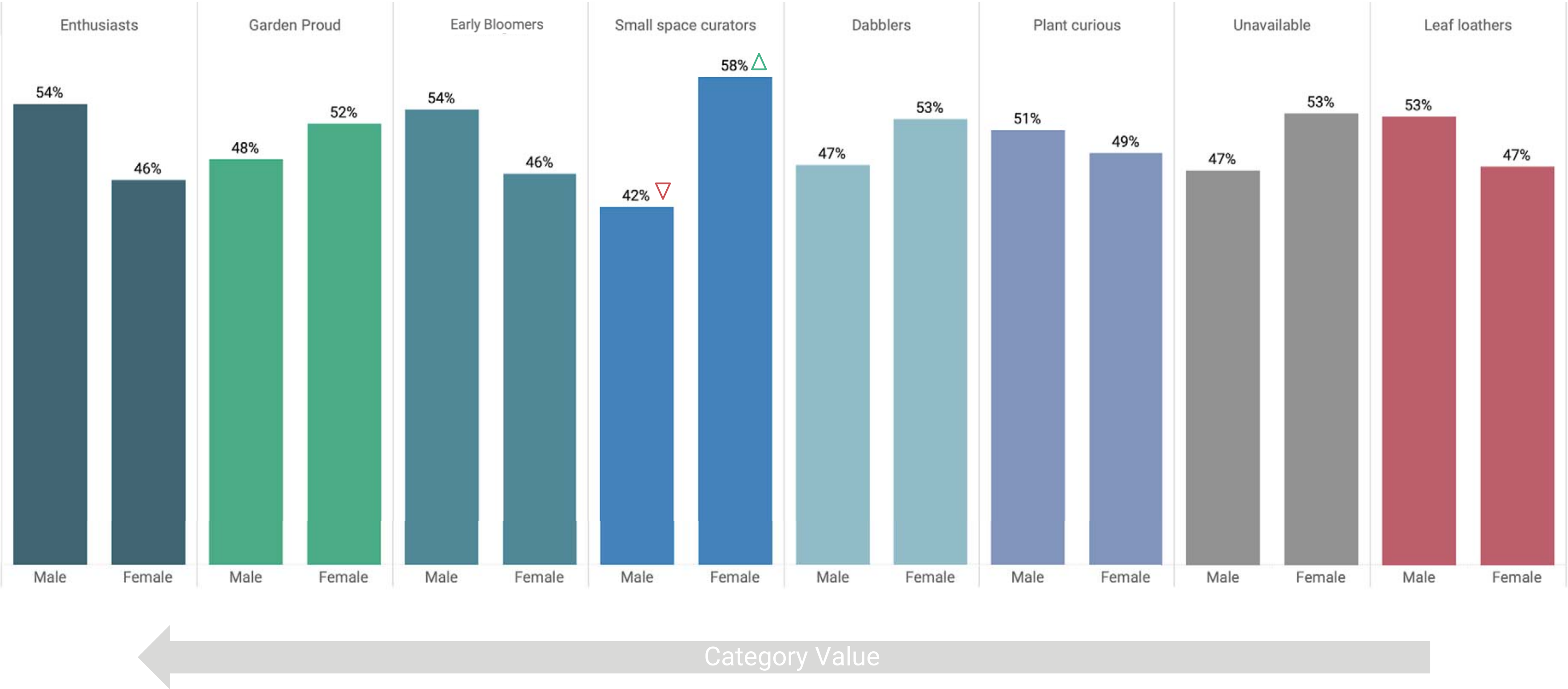
Nursery market segments by gender

Enthusiasts and Early Bloomers skew toward males slightly, but the differences are not statistically significant when compared to the overall population. Small Space Curators are however, significantly more likely to be female than male.



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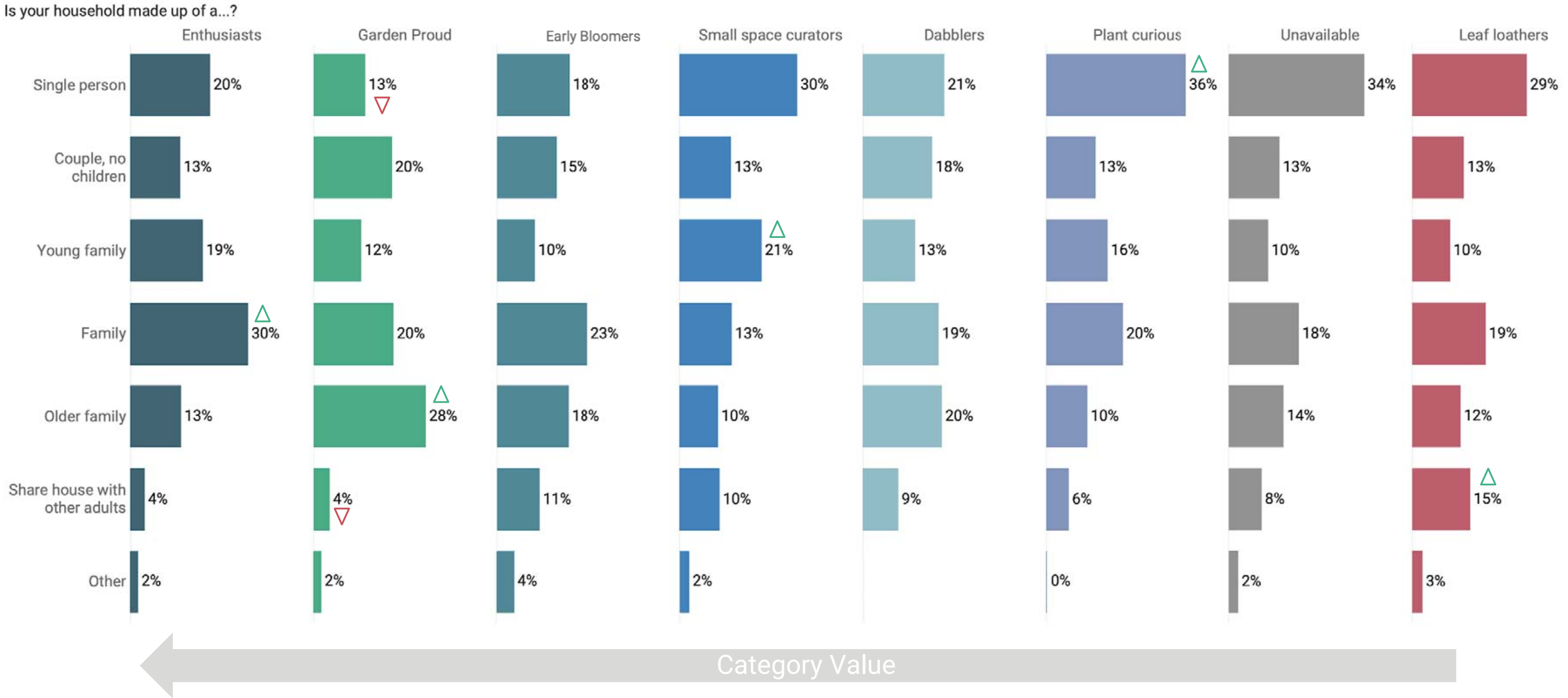
TheNavigators

Nursery market segments by household composition

Small Space Curators are more likely than other segments to be living in a household with a young family. The older Garden Proud segment are more likely to live in older family households or as a couple with no children. Plant Curious are more likely than most other segments to be living as a single person.



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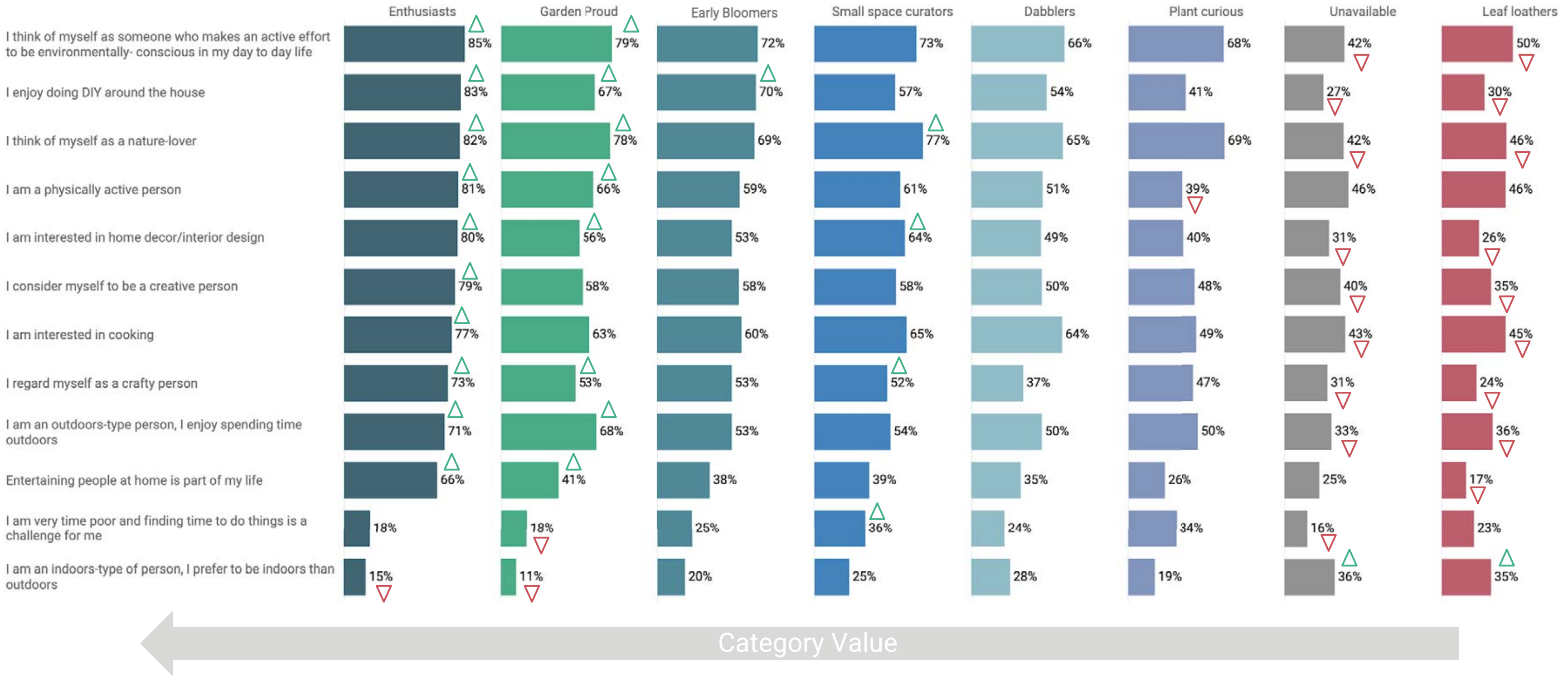
TheNavigators

How the people describe themselves

The most valuable segments describe themselves as environmentally conscious and nature loving. Small Space Curators stand out in their relatively high interest in decor and interior design and being time poor. Early Bloomers are more likely than other segments to express an interest in doing DIY around the house. Physical activity involved in gardening may be a barrier for the Plant Curious who are less likely than many to describe themselves to be a physically active person.

To what extent do you agree or disagree that each statement describes you?



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TheNavigators

Nursery market segments by ownership of current dwelling

Home ownership is greatest among the Garden Proud (75%) while Small Space Curators are more likely to be renting.

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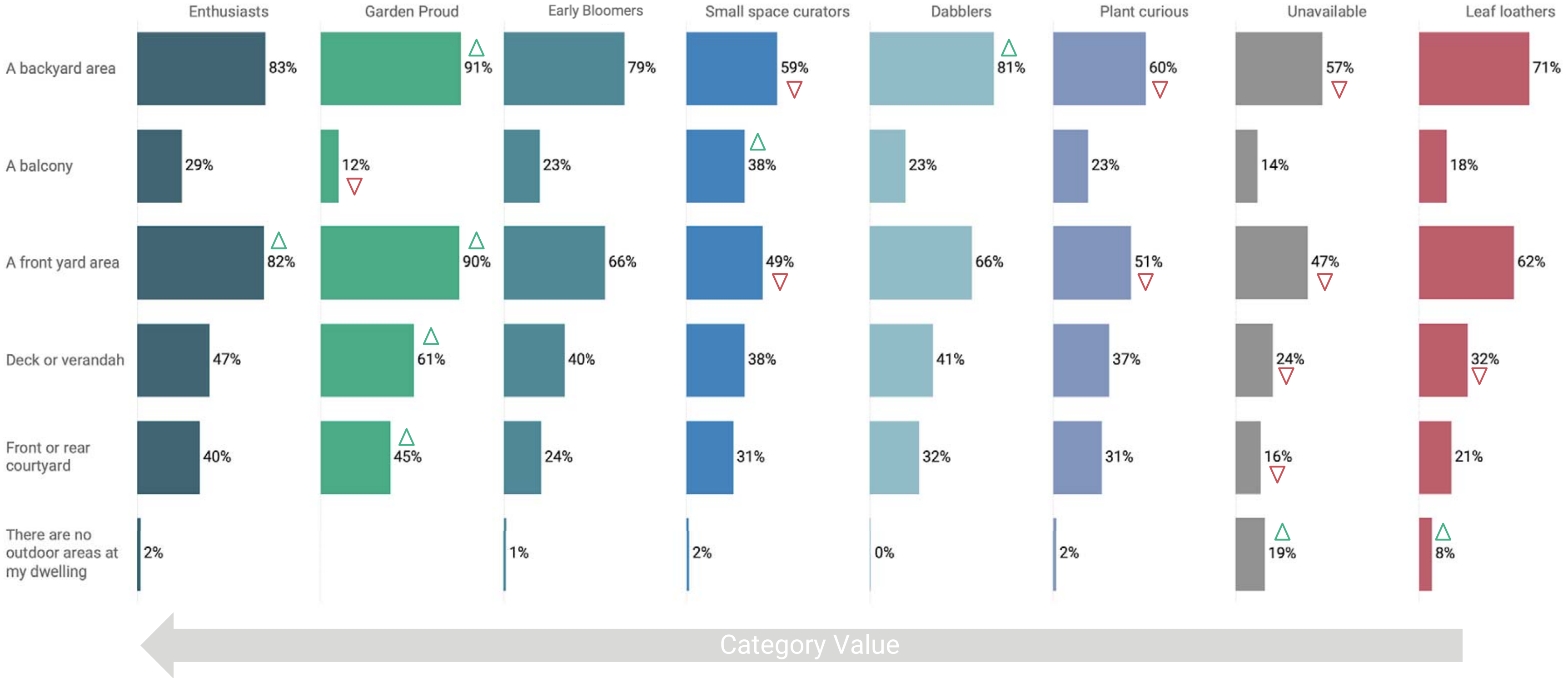
TheNavigators

Outdoor areas at current dwelling

Enthusiasts and Garden Proud are the most likely to have back and front yard areas. Small Space Curators are least likely to have a front or backyard area out of those segments who have purchased in the last 12 months and most likely of all segments to have a balcony. The segments least likely to have purchased plants in the last year also appear to be more space constrained than other segments.

Do you have any of the following outdoor areas at the dwelling where you live?



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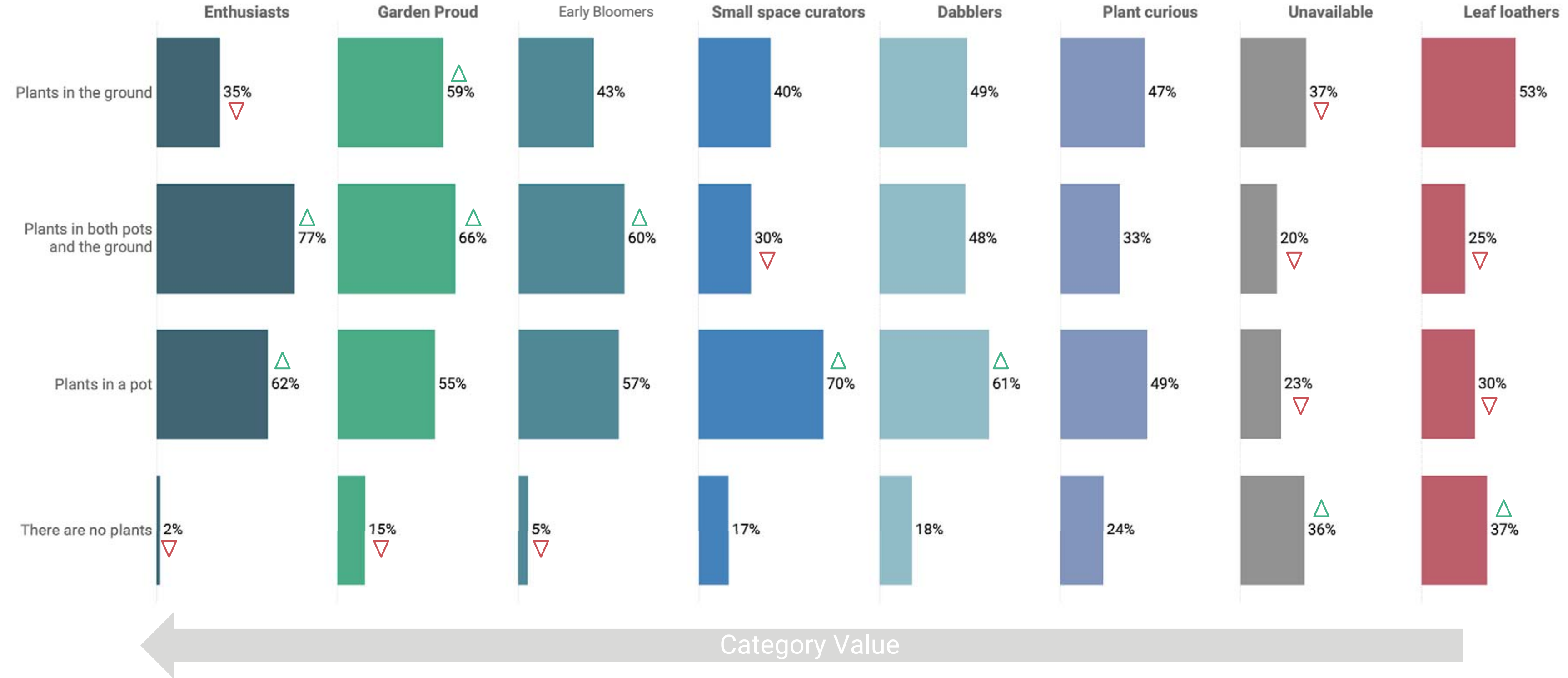
TheNavigators

Types of planting in outdoor areas at current dwelling

The Garden Proud are significantly more likely than other segments to have outdoor plants in the ground as they typically live in dwellings with larger yards in outer urban, regional and rural areas. Enthusiasts are the most likely to have outdoor plants in pots and the ground and one of the more likely along with Small Space Curators to only have plants in a pot in some areas. The Dabblers who also share some space constraints, are also more likely than the average person to have outdoor potted plants alone in some areas.

What, if any, type of planting do you have?



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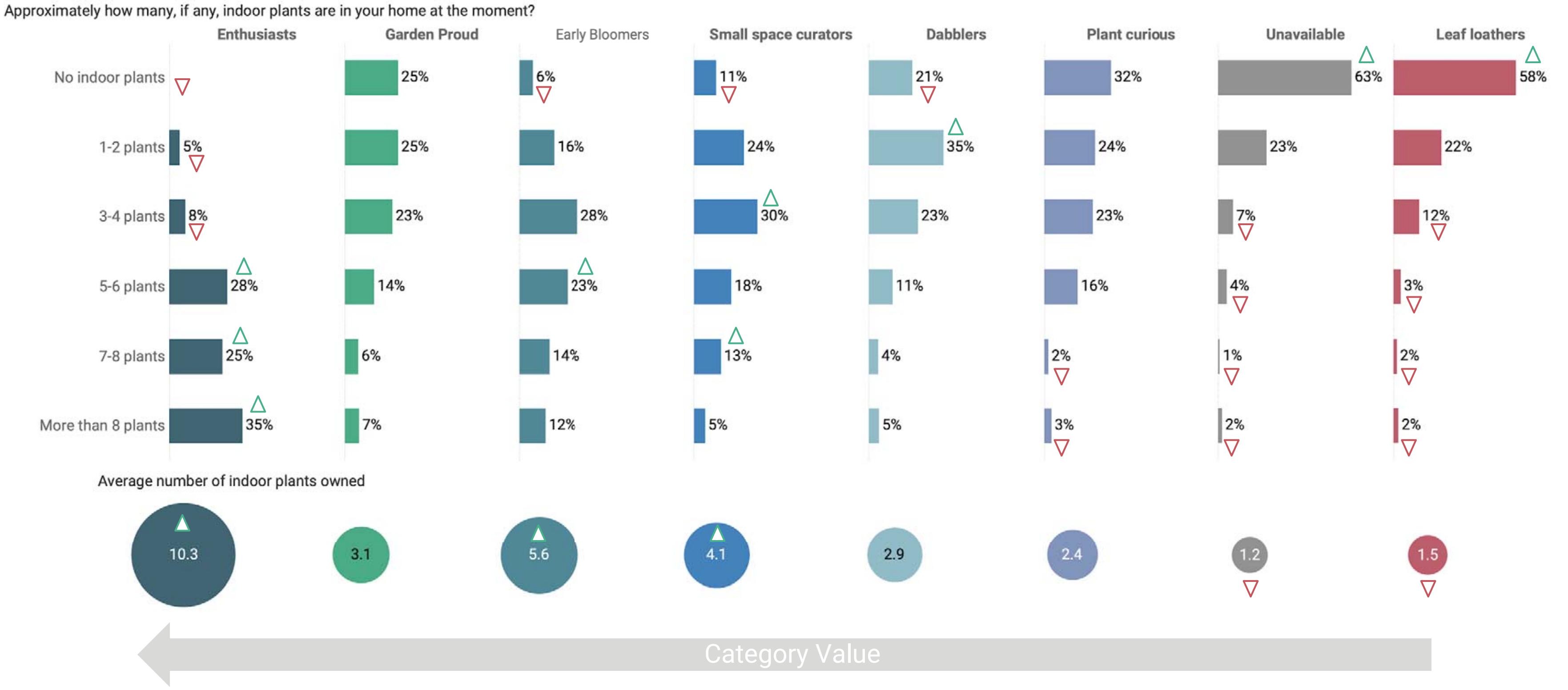
Indoor plant ownership

Enthusiasts are indoor plant lovers with 88% indicating they own 5 or more plants. Early Bloomers and Small Space Curators are also keen indoor plant owners with well over two in three owning three or more indoor plants. Dabblers do own indoor plants, but are likely to own between 1 and 4 indoor plants in total. Compared to the overall average of 3.3 indoor plants owned per person, these three segments own significantly more indoor plants on average.



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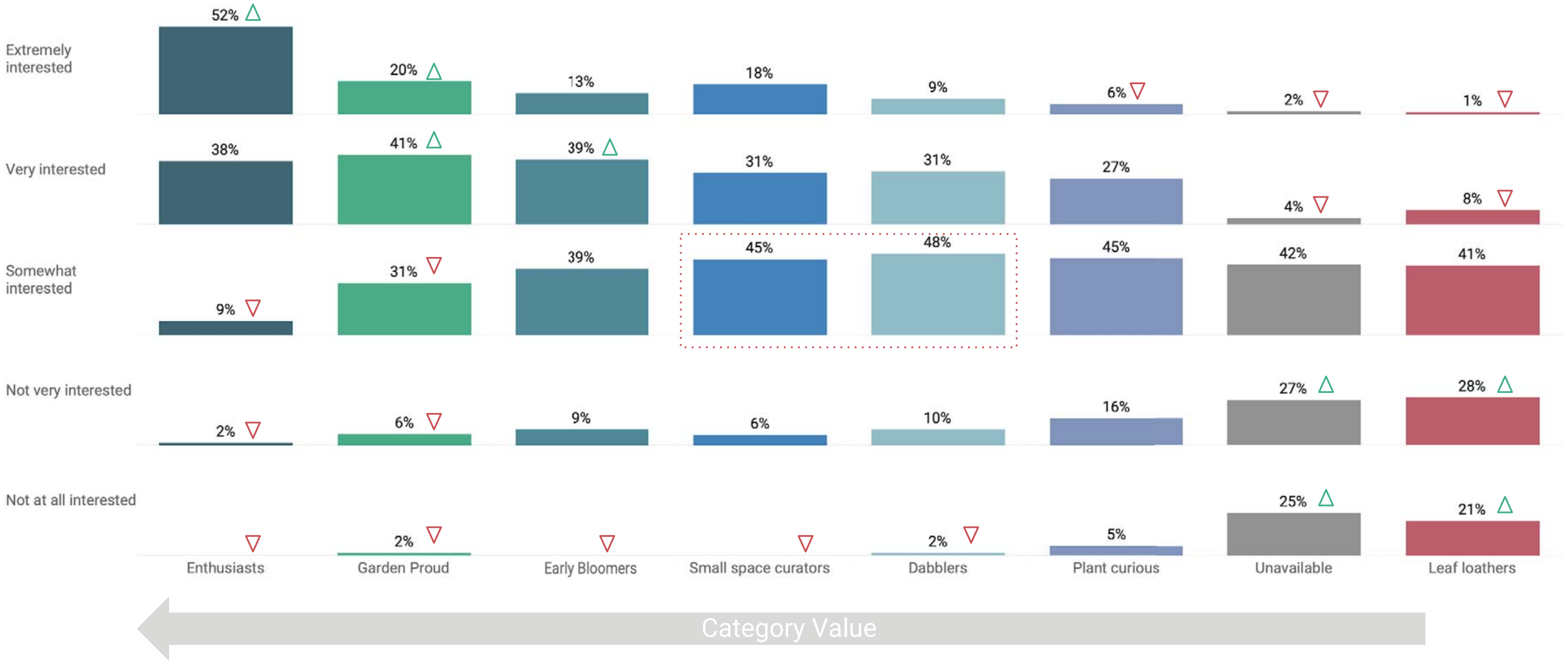
Interest in plants

Interest in plants is particularly high among the Enthusiast segment. They genuinely love plants and gardening. While their interest is somewhat less intense, the Garden Proud also display a high level of enthusiasm for plants and gardening. One of the characteristics that defines the Early Bloomers is their higher than average level of interest in plants and gardening. Their interest is generally higher than the Small Space Curators and Dabblers, who show a moderate level of interest in plants with 45% and 48% respectively indicating they are somewhat interested.

When it comes to your interest in plants, do you regard yourself as someone who is...?



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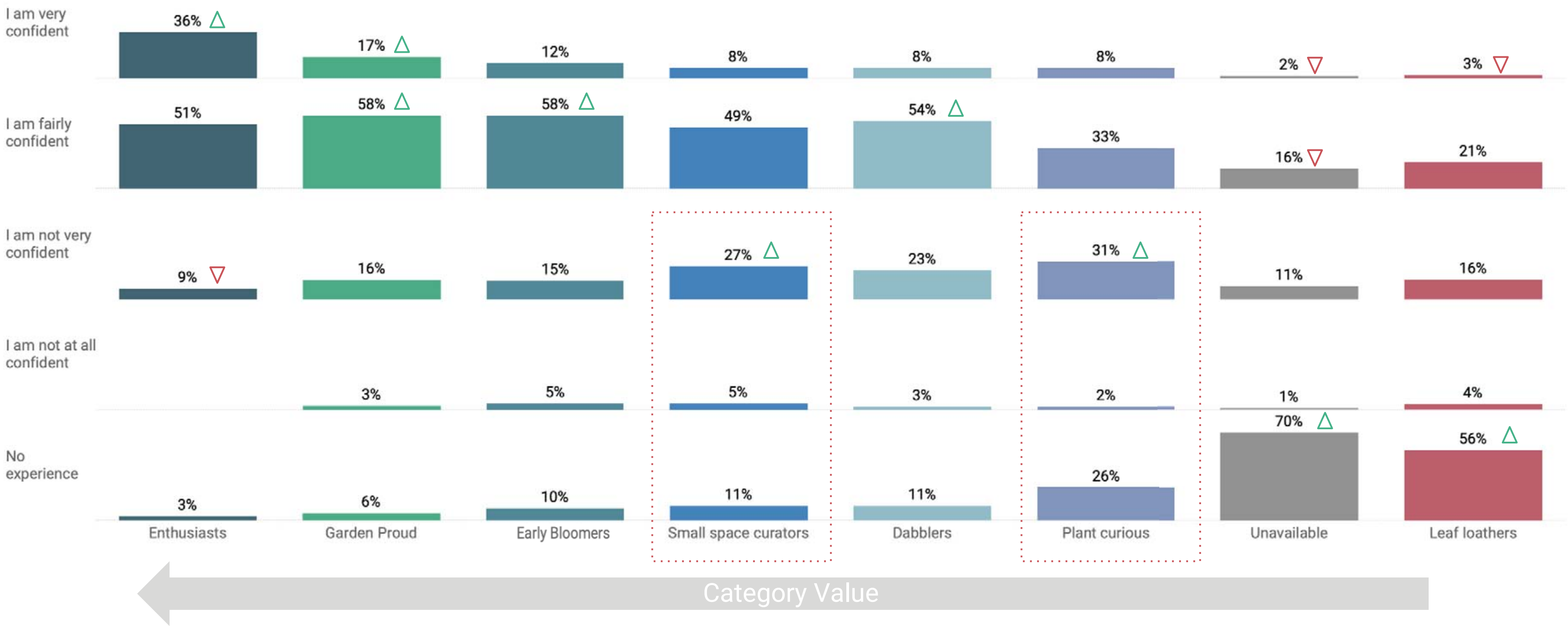
TheNavigators

Confidence in skills and ability

Of the segments who have purchased in the last 12 months, the Small Space Curators are the least confident in their skills with 43% indicating they have no experience or do not feel confident in their skills. The Plant Curious also have a lack of confidence with 58% indicating they have no experience or are not confident in their skills. As the non-plant buying segment most available to purchase within the category, this lack of confidence is a significant barrier to increasing category penetration, particularly among this plant-interested group of people.

How confident are you with your skills & ability in terms of plants & gardening?



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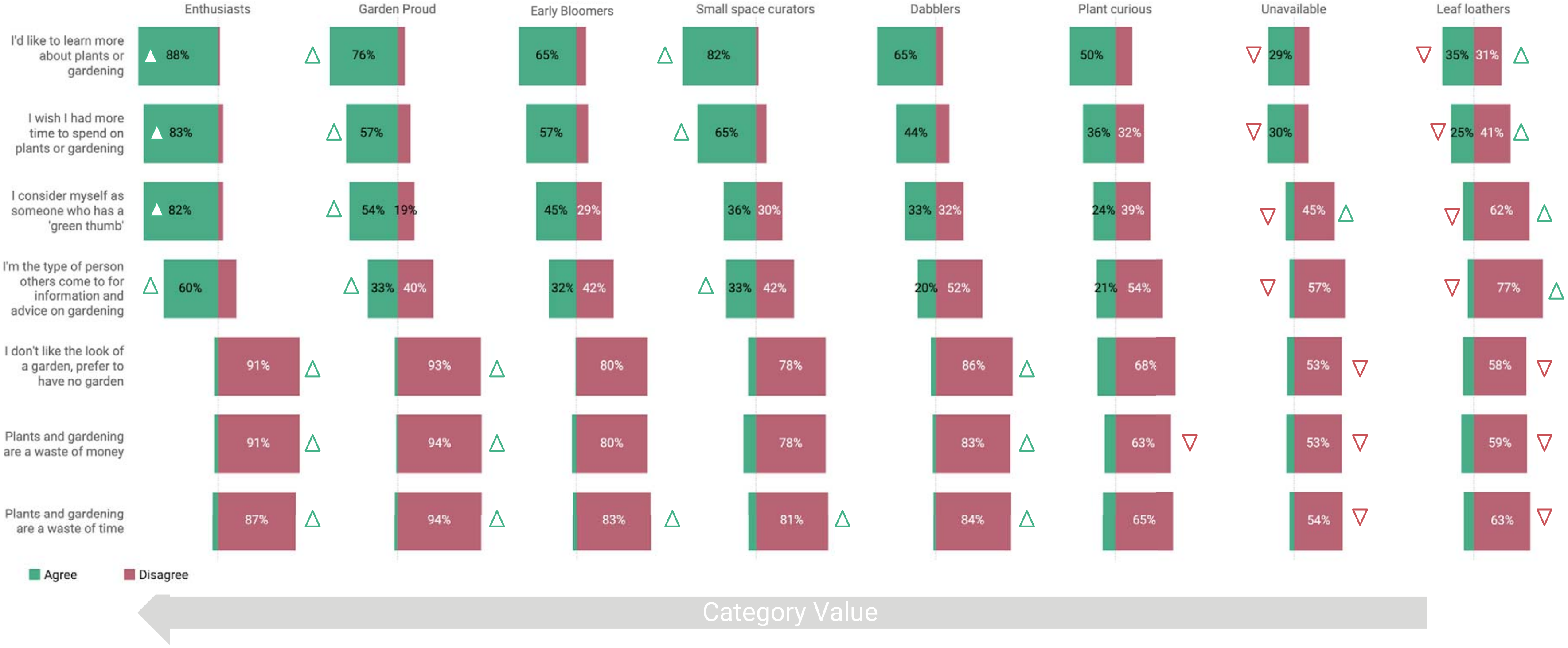
TheNavigators

Overall feelings about gardening

The most valuable segments have similar positive feelings toward plants and gardening, but differ in the prevalence and depth of feeling held. Small Space Curators show latent desire to know more and spend more time gardening, but have lower confidence in regard to knowledge and ability. The less valuable segments such as the Dabblers show less interest in spending more time gardening than other segments who have recently purchased in the category, but still disagree with statements such as “I don’t like the look of a garden/prefer to have no garden”. This suggests that they appreciate the benefits of a garden and plants, but are not highly motivated to spend time creating or maintaining a garden.

A6: To what extent do you agree or disagree that each statement describes how you feel about plants and gardening?



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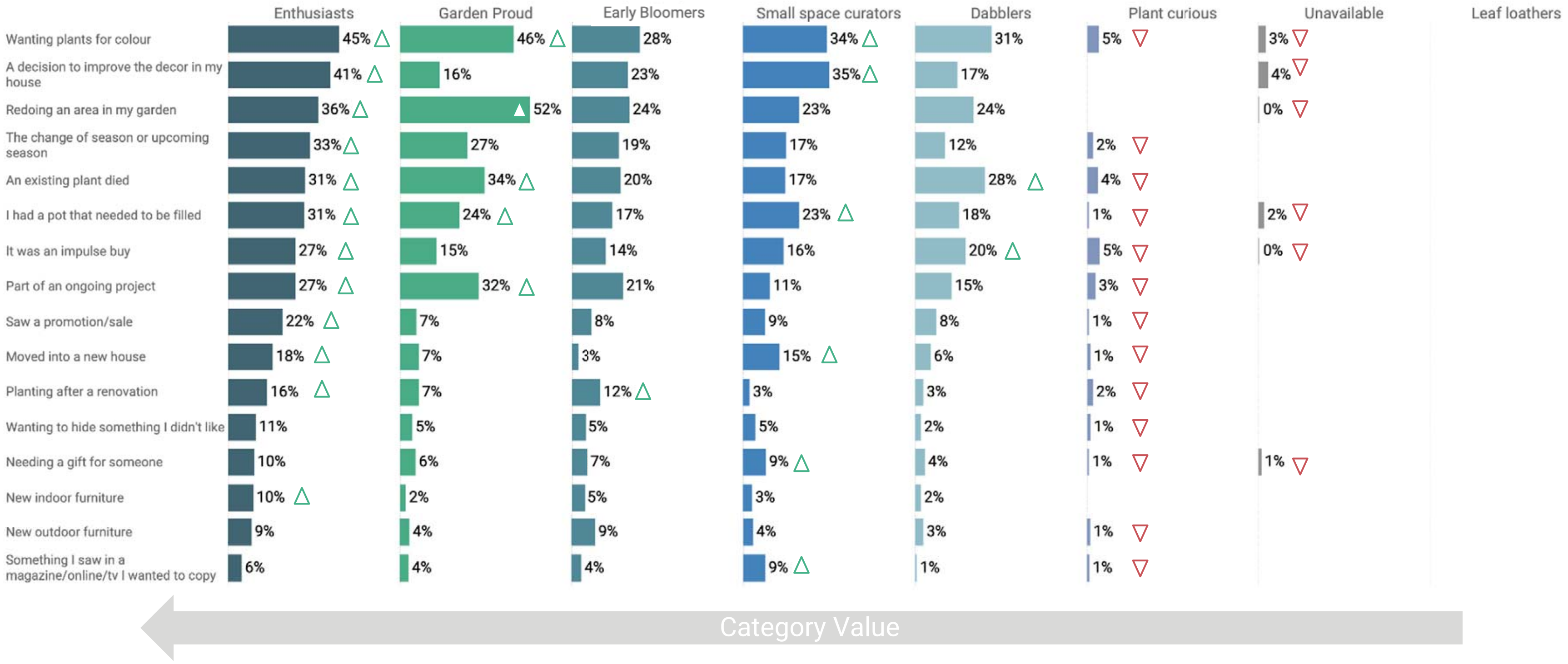
Triggers to buy plants

Wanting plants with colour is a common trigger for all segments who have purchased in the category in the last year. Enthusiasts and Small Space Curators are significantly more likely to have purchased to improve the decor in their home. Garden Proud are project centric, being more likely to purchase to re-do an area of their garden or as part of an ongoing project. Dabblers are more likely to have purchased to replace a plant that died or on impulse. Early Bloomers are more likely than average to have planted after a renovation.

What were the things that triggered you to buy plants over the last year?



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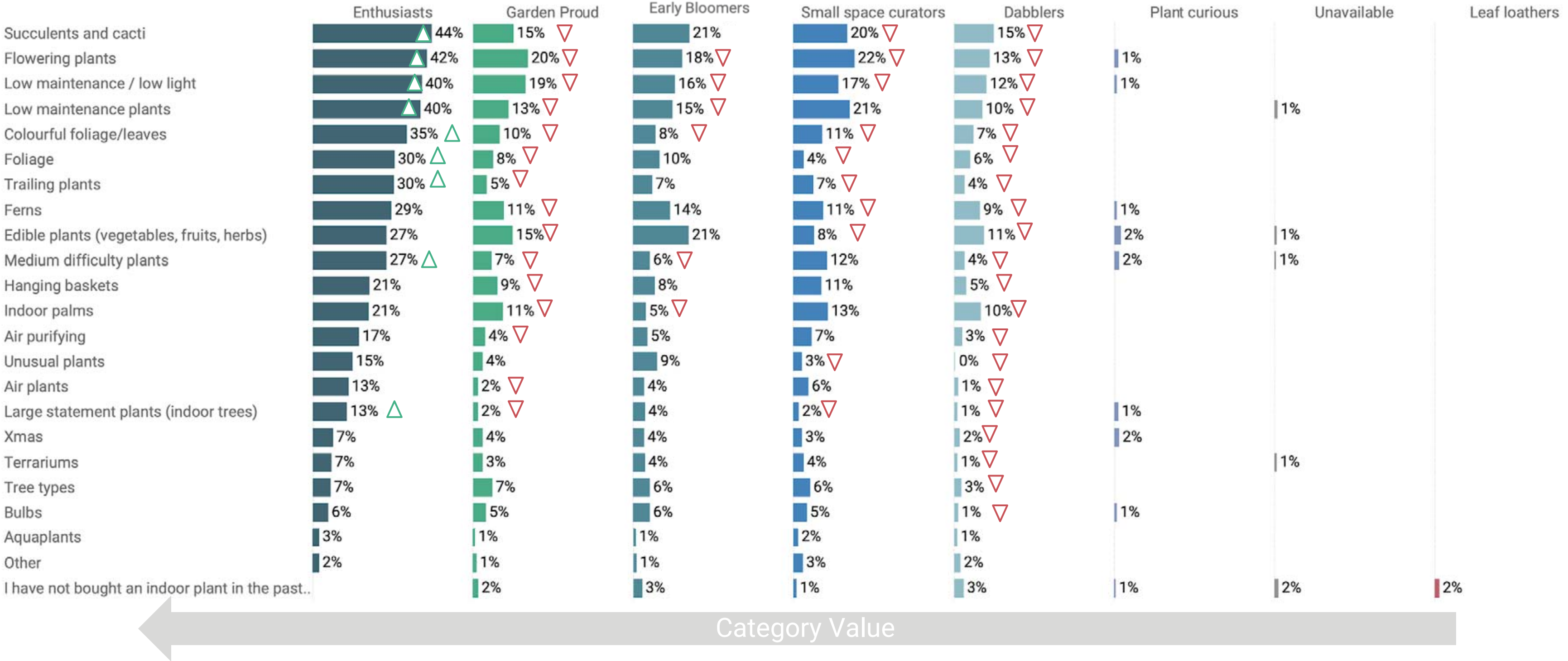
▽ Significantly lower than Total α = 0.05

TheNavigators

Types of indoor plants purchased in last 12 months

Enthusiasts are significantly more likely to have purchased many types of indoor plant because they simply shop more heavily and frequently than the average person. Succulents and cacti are particularly popular with Enthusiasts, but less popular among other segments. Even though Enthusiasts are more expert and committed to indoor plants, they too prefer low maintenance and low light plants.

What types of indoor plants have you bought in the past 12 months?



Sample sizes: Total n=1,651,
Enthusiasts n= 96, Garden Proud n = 327, Early Bloomers n = 110, Small Space Curators n=245, Dabblers n= 280,
Plant Curious n= 117, Unavailable n= 123, Leaf Loathers n= 353

△ Significantly higher than Total α = 0.05

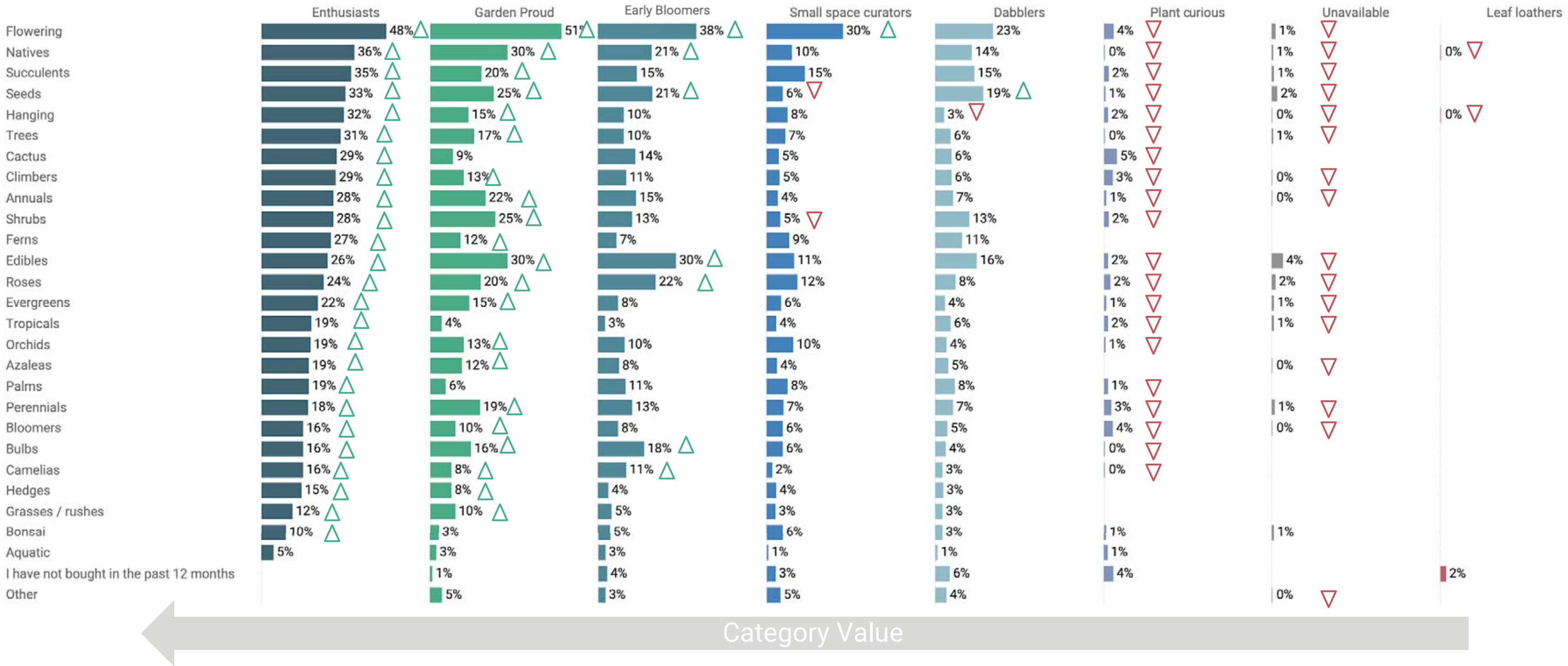
▽ Significantly lower than Total α = 0.05

TheNavigators

Types of outdoor plants purchased in last 12 months

Enthusiasts are significantly more likely to have purchased every type of outdoor plant because they simply shop more heavily and frequently than the average person. The differences with the segments do give some idea as to the preferences of each. For example the Early Bloomers segment are similar in their preferences to the Garden Proud with a preference for edible and, flowering plants, including roses and bulbs.

What types of outdoor plants have you bought in the past 12 months?



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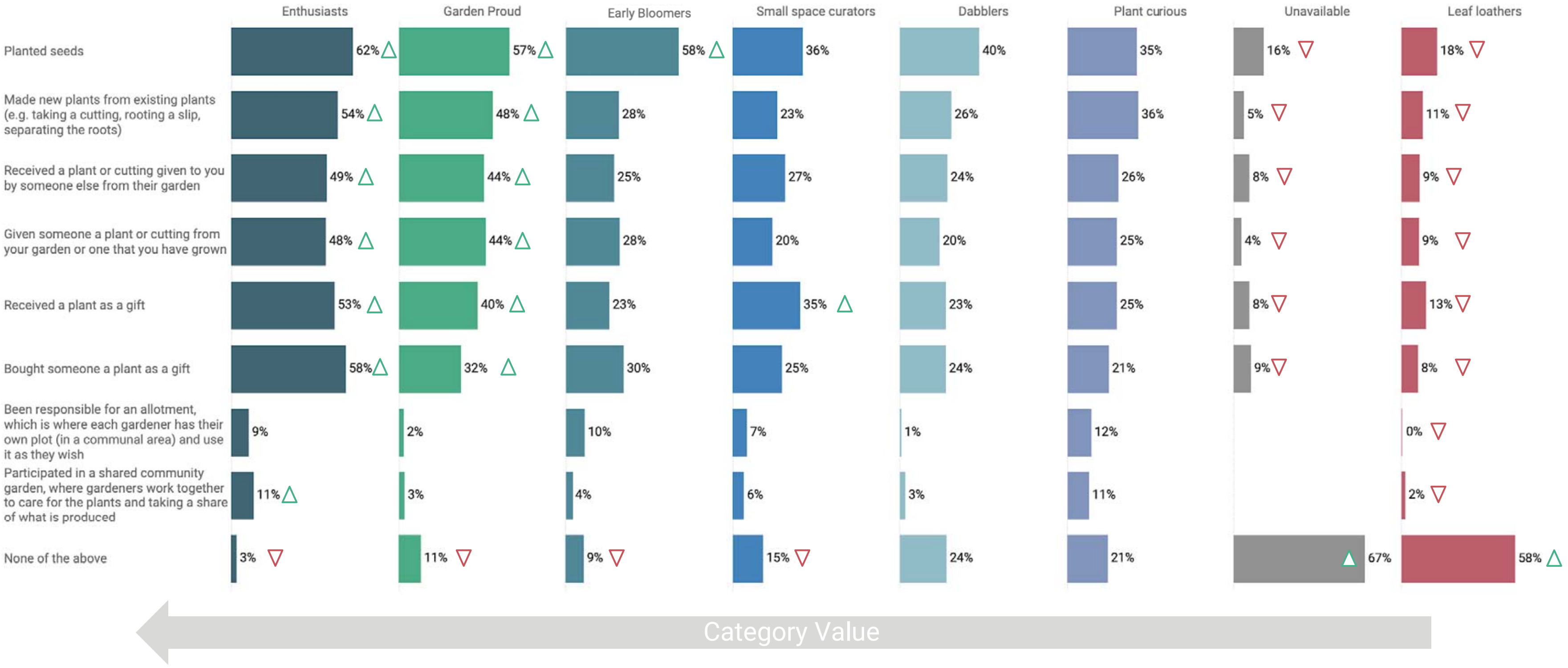
TheNavigators

Plant and gardening activities in last two years

The immersion of Enthusiasts and Garden Proud segments in plants and gardening stands out in terms of their activities over the last couple of years. Members of both segments are more likely to be involved in activities such as planting from seed and making cuttings and root slips than other segments. The propensity for Enthusiasts to purchase plants as gifts for others really demonstrates their enthusiasm to share their love of plants with other people. The Early Bloomers are also more likely than average to have planted seeds.

Which, if any, have you done in the last 2 years?



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TheNavigators

Key takeaways about consumer plant and gardening segments

A value based approach was used to develop a consumer segmentation model to guide growth

A robust consumer segmentation model was developed by using information gathered in the survey about recent purchasing behaviour, intended future purchasing behaviour in the indoor and outdoor sub-categories and the type of dwelling.

A total of eight segments describe the entire market of Australian adults, with five of the eight segments describing almost all of the 65% of people who purchased in the nursery category in the last year and three segments describing people who did not purchase over the same time period.

The segments are strongly discriminating on the incidence and weight of purchase they have made in the category over the last year. They are also highly discriminated by their intended future purchase of indoor and outdoor plants.

Enthusiasts and Garden Proud create above average value for the nursery category

These two segments represent 23% of the total number of Australian adults, but 53% of the overall retail value of the category. They are heavily invested in financial and emotional terms in plants and gardening. Their passion and commitment are likely to ensure they continue to provide a willing source of purchasing into the future.

While these do vary in regard to demographic differences such as the type of dwellings in which they live and the nature of the household structure the most significant characteristics that differentiate them from others are their interest, confidence and experience with plants and gardening and their involvement in the category with regard to the number of plants they own and types of gardening activities they undertake.

Both of these segments look to share their love of plants with others and are more likely to have purchased plants as a gift for someone else. It seems others are aware of their passion as they too are more likely to be recipients of plants as a gift.

The Early Bloomers segment appears to be a way-point to greater category involvement

The Early Bloomers segment appear to occupy a mid-point in interest, involvement and value between the Enthusiasts and Garden Proud and the less experienced and involved segments. The Early Bloomers show higher than average levels of interest and involvement in the category, but are not likely to be as fully committed to plants and gardening as the most valuable segments.

They show similarities in terms of demographic composition to the Garden Proud, and like this segment, they are much more likely to live in larger houses with outdoor areas, consider themselves a DIY person and enjoy growing plants in the outdoor areas of their homes.

They are however a little less like the Garden Proud and more like Enthusiasts when it comes to indoor plant ownership. The Early Bloomers on average, own many more indoor plants than the Garden Proud.

Small Space Curators are a large, but space constrained segment

The defining characteristics of Small Space Curators are the homes in which they live, typically apartments or medium density dwellings with less outdoor space. They appear to be less motivated by the intrinsic pleasures of plants and gardening enjoyed by Enthusiasts, Garden Proud and Early Bloomers, but more motivated by creating a look and feel for their homes in which plants play an important role.

They are more likely to be females who are single or with younger families, but interested in nature, decor and design.

Because their dwellings have smaller spaces, they tend to grow plants in pots in both their indoor and outdoor areas.

They are relatively new to the category and are have less confidence in their skills and abilities than others.

Key takeaways about consumer plant and gardening segments (cont.)

Dabblers are low on interest and involvement, but appreciate a nice looking garden

The Dabblers are another relatively sizeable segment who are most likely to be in family households, living in smaller houses and medium density dwellings with a smaller back yard or courtyard outdoor area. They tend to grow their outdoor plants in pots and own a few indoor plants.

While they have purchased plants in the last year, their level of spend is the lowest of all those who purchased in the last year. While they account for 17% of all Australian adults, they comprise only 12% of the retail value of the category.

Among all category buyers they are the least likely to express an interest in plants and gardening. They do not lack confidence however, with the majority expressing confidence in their skills when it comes to plants and gardening.

The Plant Curious are available non-buyers

Most of the Plant Curious did not get around to purchasing a plant in the last year despite expressing a significantly higher interest in plants and gardening relative to others who did not purchase in the nursery category.

In demographic terms they are similar to the Small Space Curators, generally younger people with younger families living in smaller dwellings such as apartments and medium density housing. Some are still living with their parents.

Like Small Space Curators they love nature and think of themselves as environmentally conscious, but less interested in home decor and design. The are similar in other ways too, such as being more likely to lack confidence in their plant and gardening skills.

They do currently own some plants, showing they have participated in the category in the past and therefore are more likely than other non-buying segments to do so again in the near future.

The Unavailable are ambivalent about plants and have the least experience of all segments

More than 70% of the Unavailable declared that they have no experience with plants or gardening. They also express little interest in knowing more about plants and gardening. They own fewer indoor and outdoor plants than others.

Demographically they are unremarkable, but are more likely to be living in a rental dwelling than other segments and have less access to outdoor spaces at the homes.

Attitudinally they are unlikely to consider themselves to be a nature lover or enjoy spending time outdoors. They are more likely than most to describe themselves as an indoors person.

Having available time to spend on plants and gardening is not a barrier for the Unavailable, they are less likely than most to describe themselves as time poor.

Leaf Loathers are adverse to participating in owning and maintaining plants and gardens

The Leaf Loathers share many similarities to the Unavailable when it comes to interest and involvement in plants and gardening and little ownership of indoor plants.

Unlike the Unavailable they have fewer contextual constraints as they more likely to reside in a dwelling they own and have access to outdoor yard areas in which they grow plants in the ground.

Attitudinally, they are particularly adverse to the idea of learning more or having more time to spend on plants and gardening. Their adversity toward being more involved in plants and gardening makes them distinctive from the Unavailable.

Segment motivation and abilities with plants and gardening

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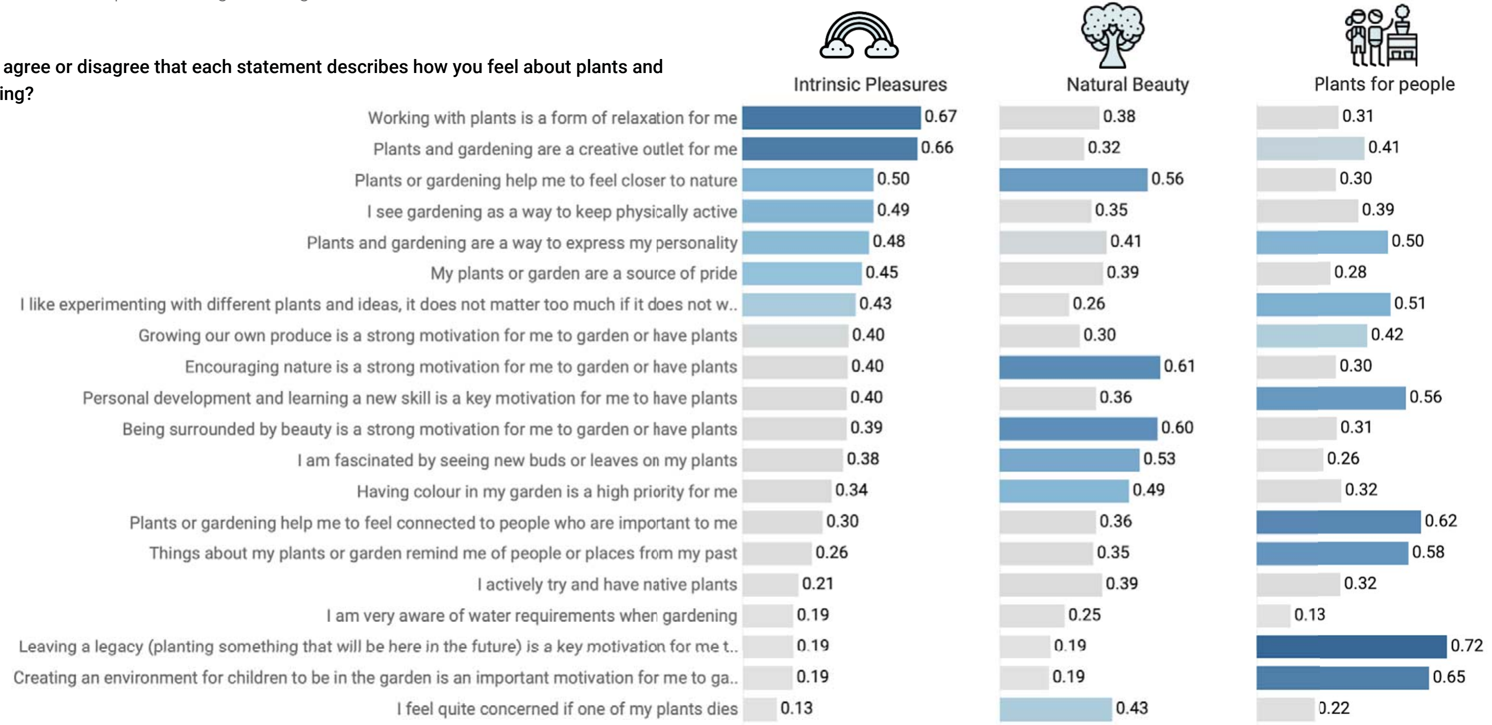
Factor analysis was used to identify motivating category benefits

Factor analysis is a statistical technique that can be used to take the responses to a large number of attitudinal statements and identify the underlying "factors" that influence how people respond. The "positive" attitudinal statements were analysed using factor analysis. Three independent factors were identified. These three factors summarise the **motivating benefits** people seek from plants and gardening. The chart below displays a metric called a "Factor Loading" which describes the strength of the relationship between each attribute and the underlying factor. The three factors that describe the broad motivational drivers are Intrinsic Pleasures - the inner personal benefits, Natural beauty - external environmental benefits and Plants for people - the external social benefits of plants and gardening.

Do you agree or disagree that each statement describes how you feel about plants and gardening?

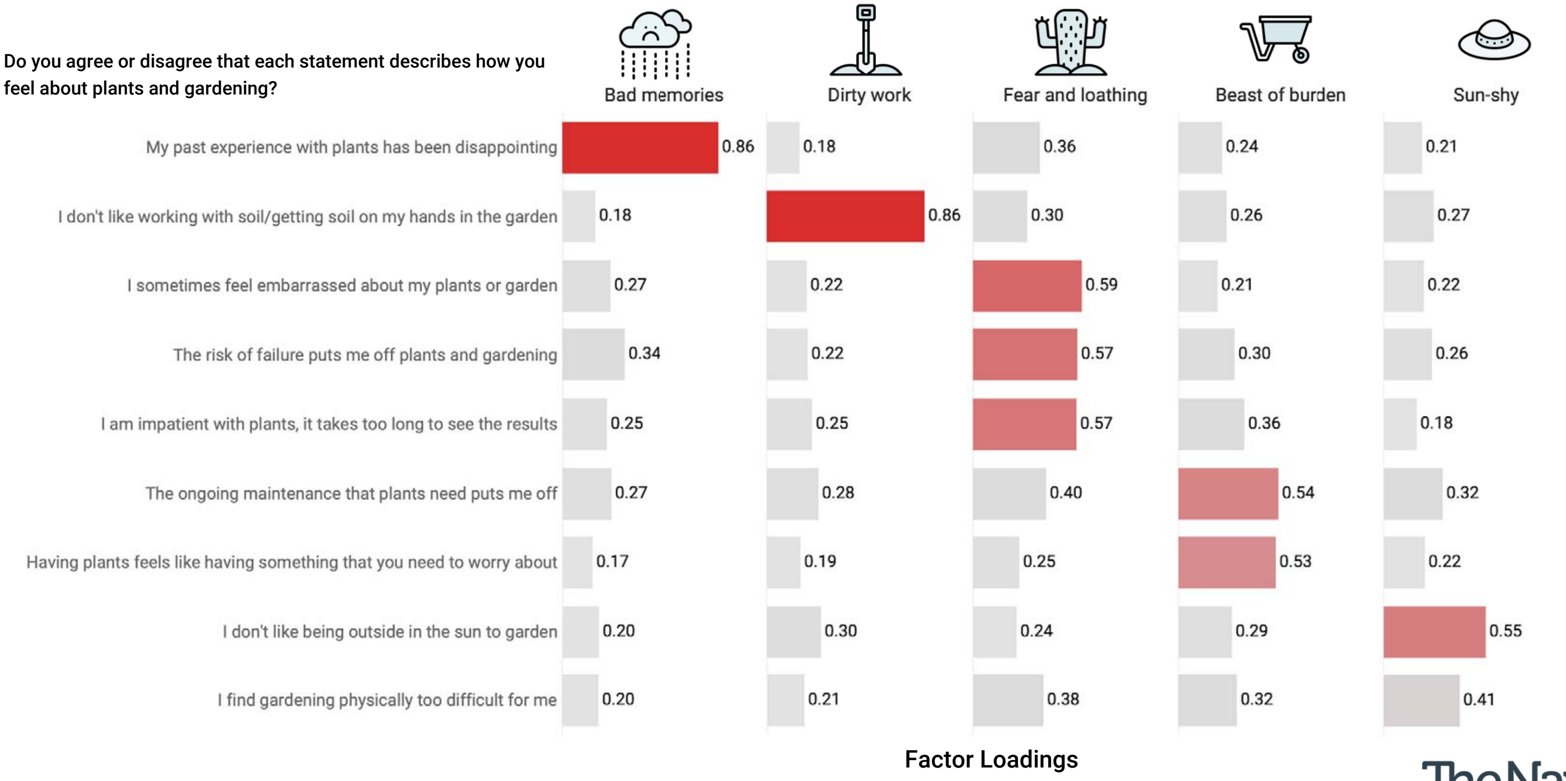


Factor Loadings

TheNavigators

Factor analysis was used to identify demotivating category challenges

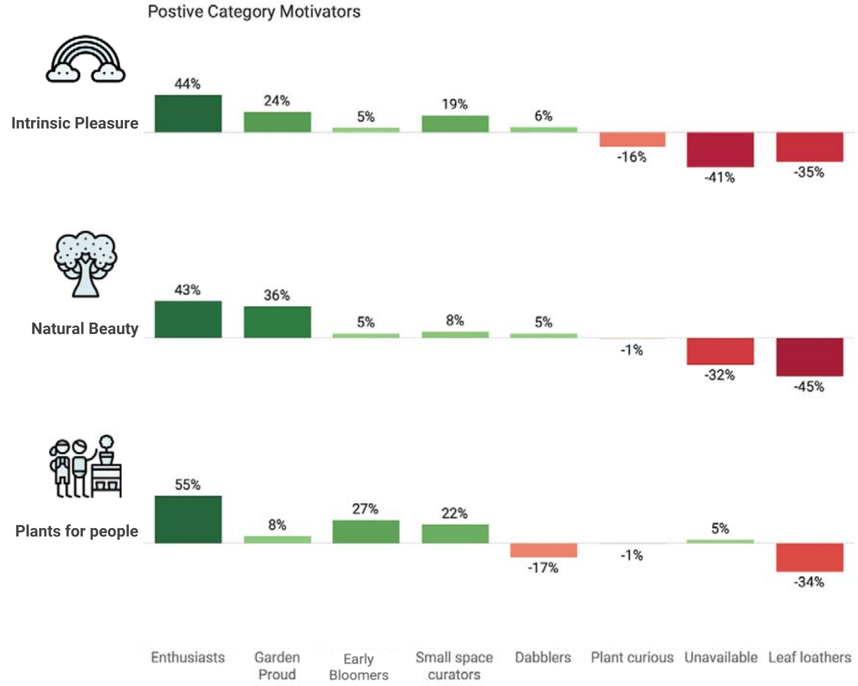
Factor analysis was also used to analyse "negative" attitudinal statements about plants and gardening. Three independent factors were identified. These three factors summarise the **demotivating benefits** that might deter people from plants and gardening. The chart below displays a metric called a "Factor Loading" which describes the strength of the relationship between each attribute and the underlying factor. The five factors that describe the broad demotivational drivers are Bad Memories - disappointing previous experiences, Dirty Work - dislike for literally getting hands dirty, Fear and Loathing - anxiety about the risk of failure and impatience with getting results, Beast of Burden - dislike for the ongoing work and responsibility for looking after plants and Sun Shy - dislike for being exposed to the sun while gardening.

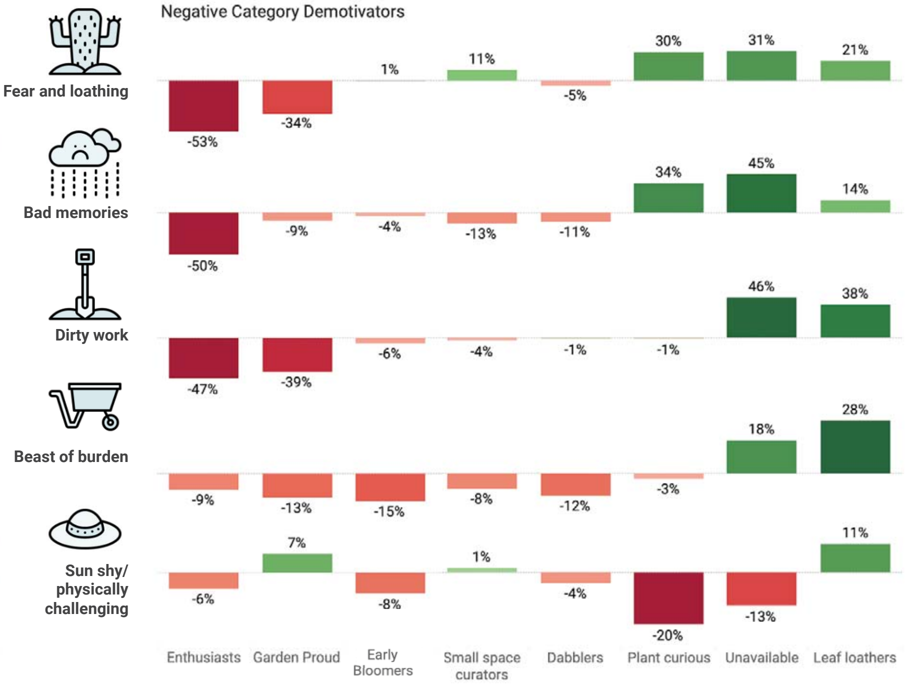


TheNavigators

Consumer segment motivation (emotional benefit) profiles

The charts below show the variance of each segment from the average in regard to motivating and demotivating factors that impact how people feel about plants and gardening. For example, Enthusiasts are 55% more likely than the average person to be motivated by Plants for People, indicative of their enthusiasm to share their love of plants with others. Garden Proud are more motivated by intrinsic pleasures and natural beauty and can be demotivated by the extent to which gardening exposes them to the sun and physical activity. Early Bloomers are more likely to be socially motivated by plants and gardening. This is also a more prominent motivation for Small Space Curators who are also motivated by the intrinsic pleasure plants can provide them. However, they can also be demotivated by anxiety about not being able to care for plants and keep them alive. Dabblers are not highly motivated by any factor, but equally they are not vulnerable to the demotivating factors that can limit the enthusiasm of segments who are not recent buyers of plants such as the Plant Curious who have had negative experiences in the past and are anxious about their green skills.





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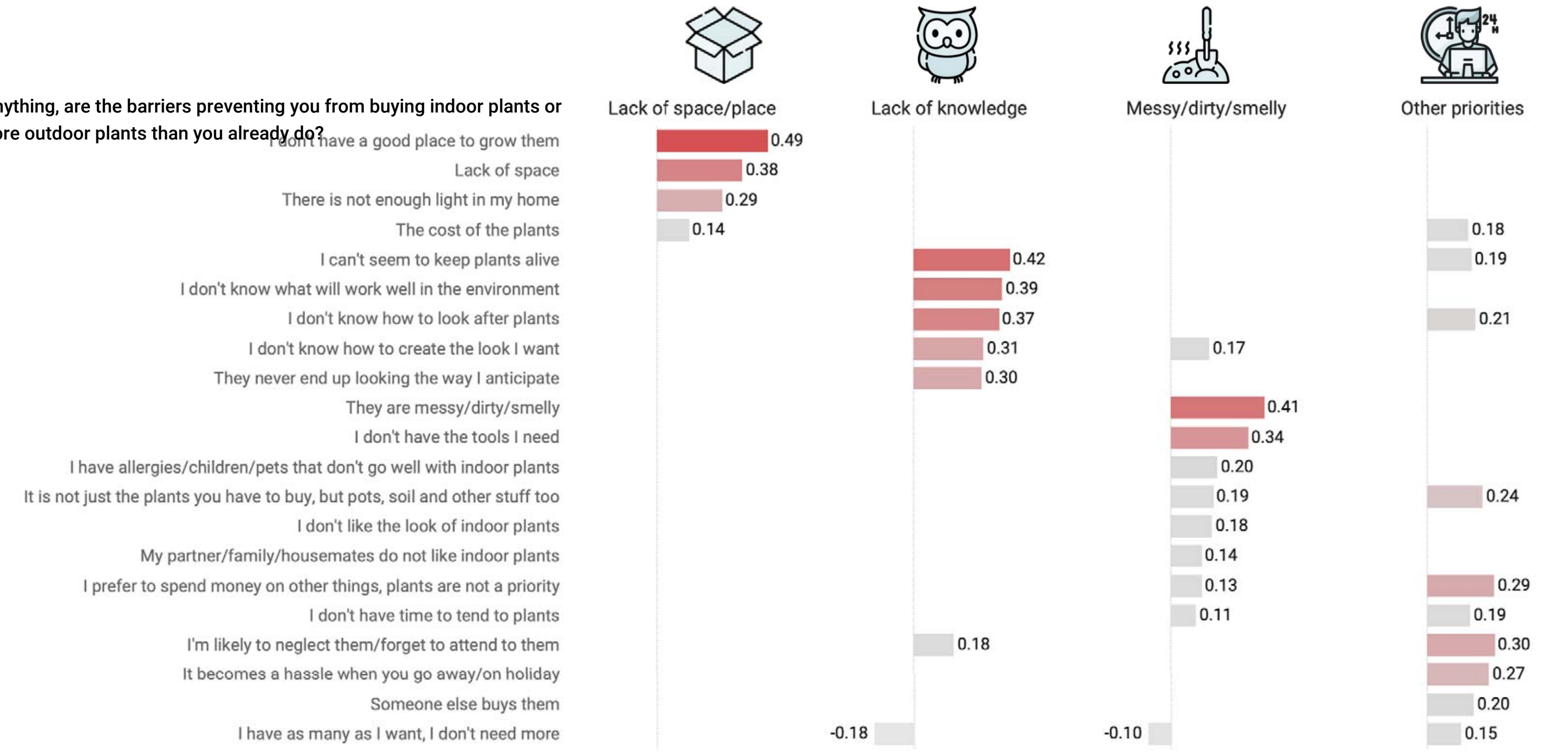
Factors analysis was used to identify barriers to buying more indoor plants

Factor analysis was used to identify four main indoor plant barriers. Space/place, Knowledge, Messiness and Other priorities were identified as independent factors that constrain the purchasing impulse of Australian adults when it comes to indoor plants.

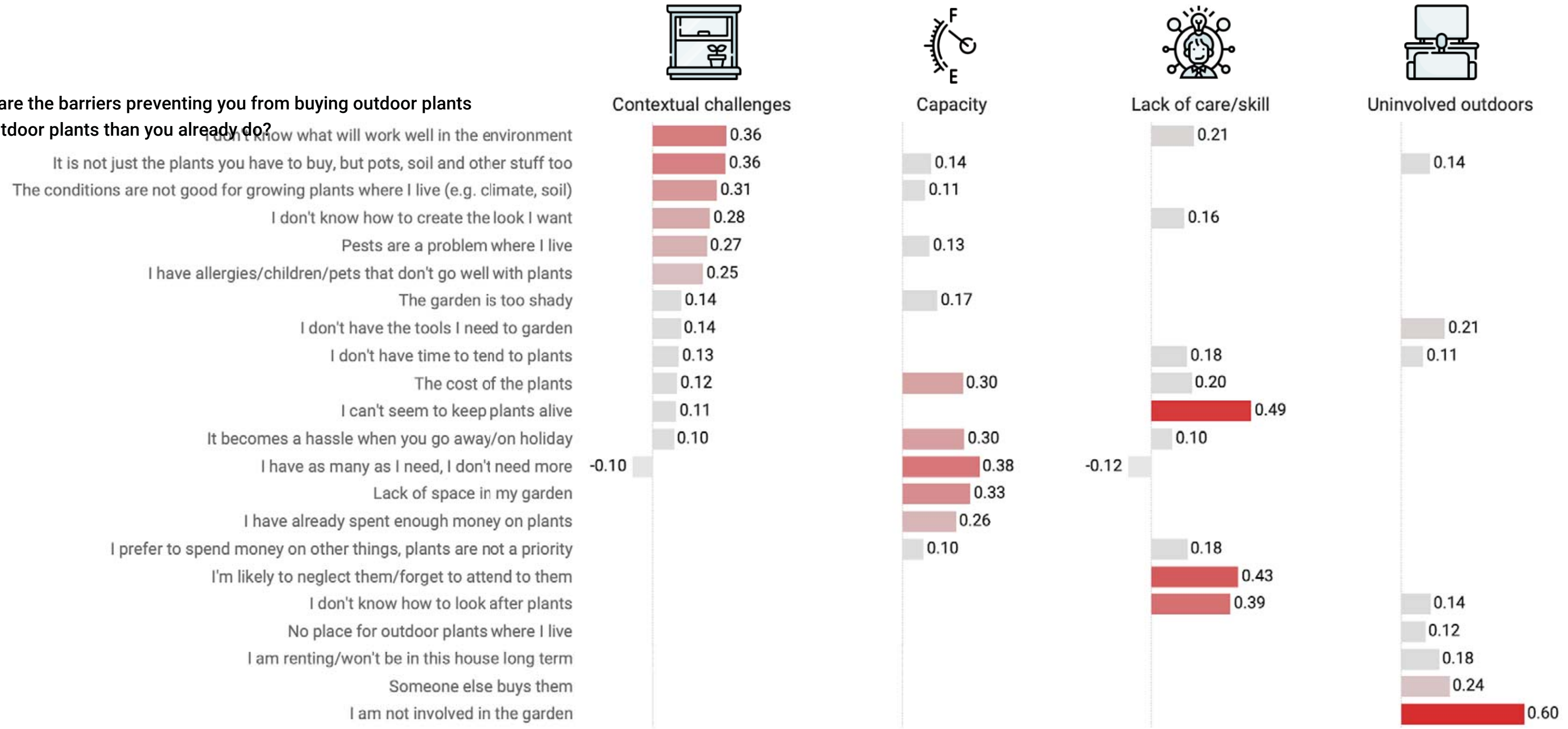
What, if anything, are the barriers preventing you from buying indoor plants or buying more outdoor plants than you already do?



Factor analysis was used to identify barriers to buying more outdoor plants

Factor analysis was used to used to identify four main outdoor plant barriers. Context, Capacity, Care/skills and Outdoor involvement were identified as independent factors that constrain the purchasing impulse of Australian adults when it comes to outdoor plants.

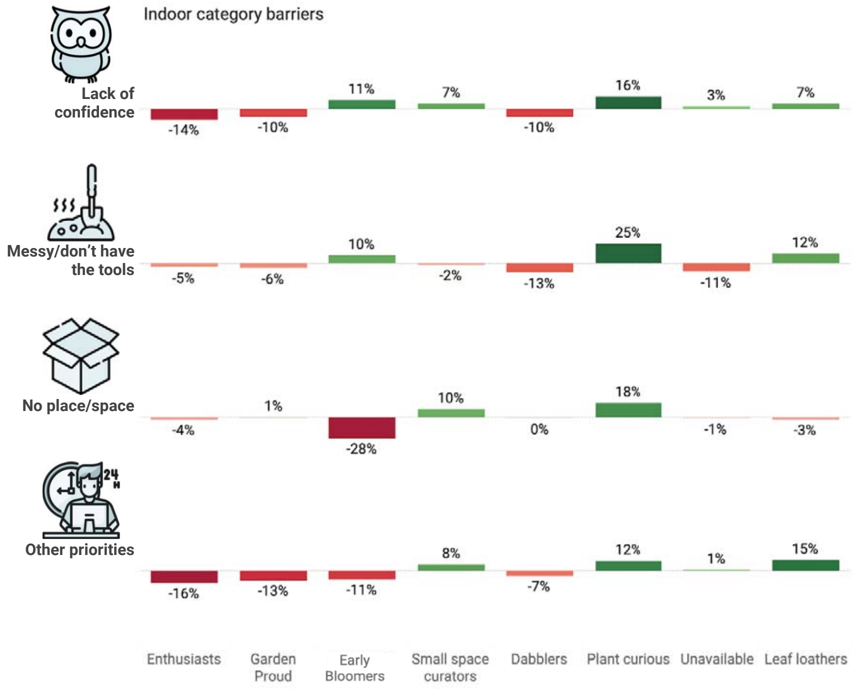
What, if anything, are the barriers preventing you from buying outdoor plants or buying more outdoor plants than you already do?

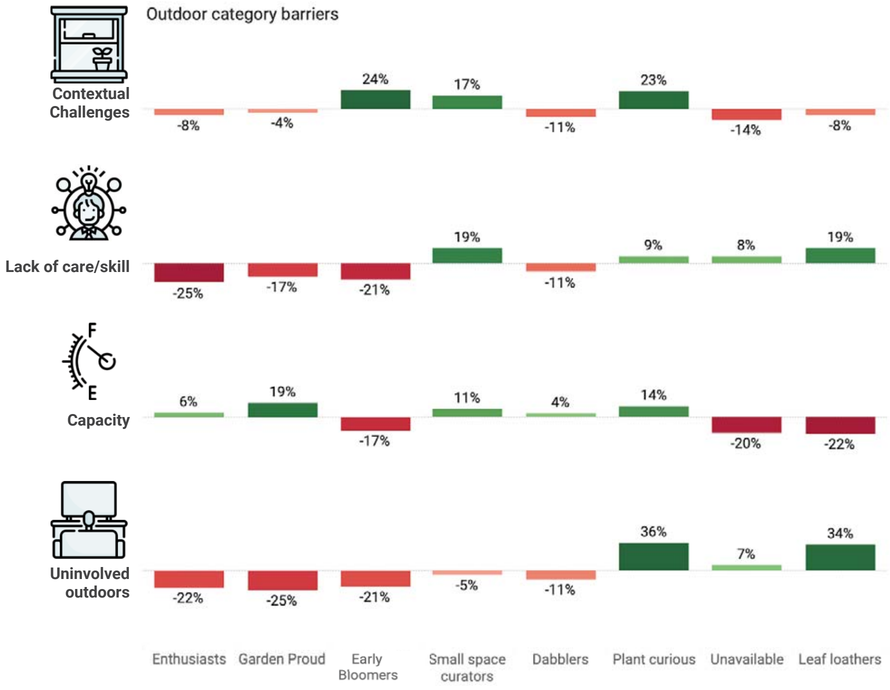


TheNavigators

Consumer segments barriers to purchase profiles

The charts below show the variance of members of each segment from the average in regard to factors that best describe the barriers people have to purchasing more indoor or outdoor plants. For example, Small Space Curators are 19% more likely than the average person to identify a lack of care or skill as a barrier to purchasing more outdoor plants. They are also more likely to identify contextual challenges and a lack of capacity outdoors and space indoors as barriers to buying more plants. The Dabblers show few barriers to buying more plants if their level of motivation and interest can be increased. Conversely, the reasonably motivated Plant Curious are far more likely to identify barriers to both buying indoor and outdoor plants. Building their confidence and giving them the knowledge about how to overcome the contextual gardening challenges at their dwelling may allow them to participate in the category in the future.





TheNavigators

Category growth requires behaviour change

The **BMAT behaviour change model** describes behaviour as a function of three factors: *Motivation*, *Ability/Ease* and *Triggers*.

Motivation:

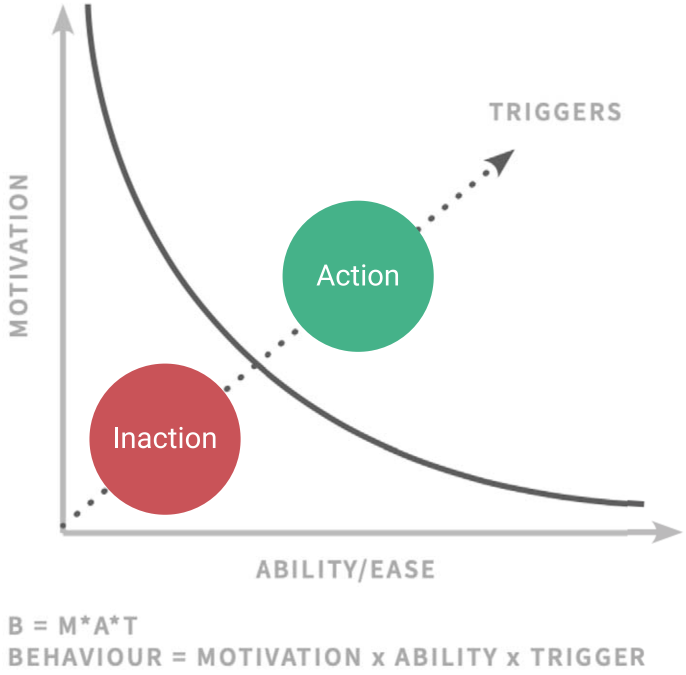
- Emotion drives motivation.
- Growing categories and brands are those which are inherently emotionally appealing while meeting real needs people have.
- Buying behaviour is also an outcome of ability and ease.

Ability

- The more available, accessible and convenient a brand or category is to purchase, the greater the likelihood the people will buy
- Confidence and experience of people in buying and using products in a category is another form of ability/ease

Changing Behaviour

- Low motivation and/or ability dramatically reduces the likelihood of buying behaviour - behaviour change occurs when both are addressed.
- Those with higher levels of motivation and ability can be prompted to purchase by salient reminders which trigger buying behaviour.



Source: BJ Fogg, Director Behaviour Design Lab, Stanford University www.behaviourmodel.org

TheNavigators

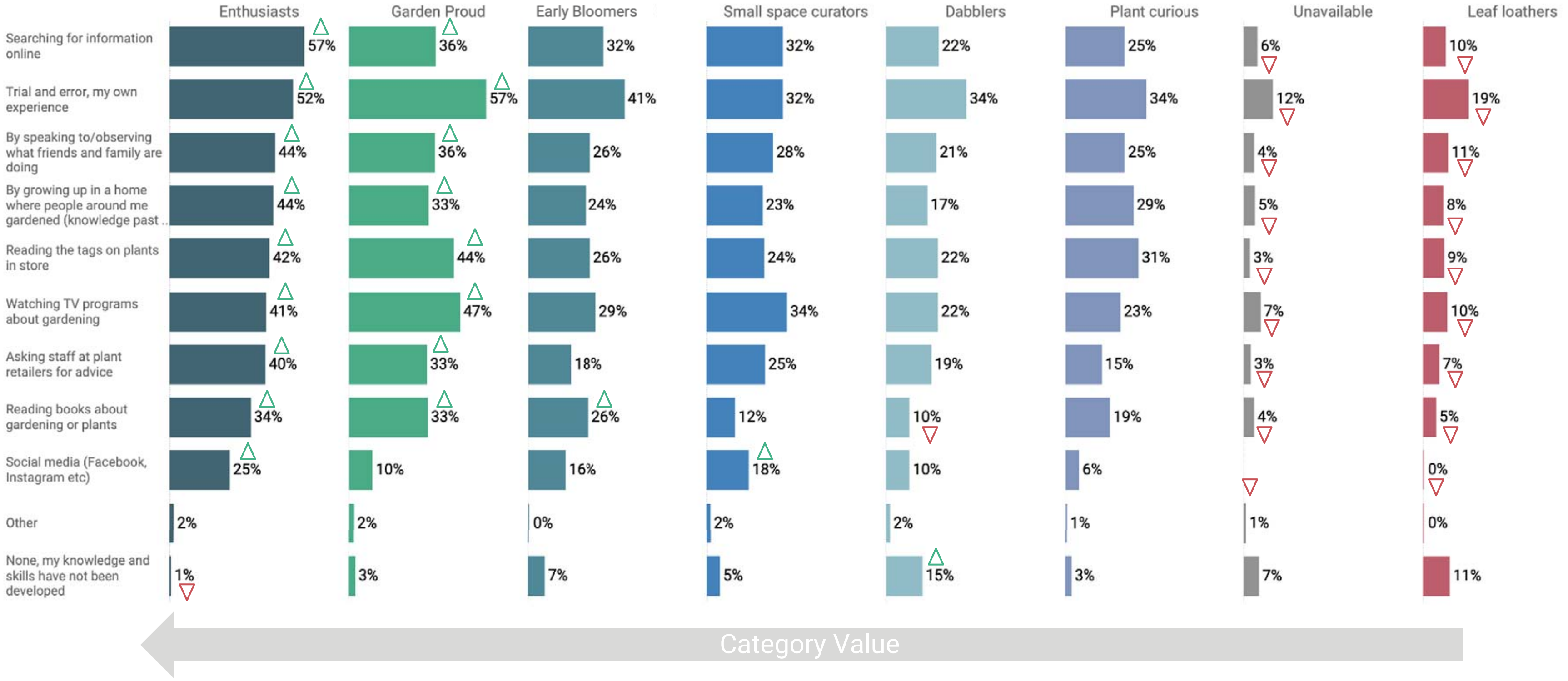
Using motivation and ability to define the segments informs growth strategy

The bi-plot below shows the average Motivation and Ability score for each segment (calculated from the combined factor scores for each respondent on each of the motivating and demotivating factors and each of the indoor and outdoor barriers). To increase the frequency or value of purchase (rather than penetration) among Garden Proud, Early Bloomers and Dabblers, more triggers or prompts to act are needed to turn their existing high levels of motivation and ability into behaviour. Small Space Curators need better solutions to address their specific ability barriers. Boosting both ease of category participation and emotional connections to the category are needed grow penetration among the Plant Curious.

Ways of developing skills and knowledge

Enthusiasts have immersed themselves in multiple sources of information to help develop their deep knowledge and skills. Garden Proud, Early Bloomers and Dabblers are more self-reliant using a trial and error approach. Small Space Curators tend to watch TV programs and search for information online.

Which, if any, of the following ways have helped you to develop your knowledge and skills about plants and gardening?



Sample sizes: Total n=1,651,
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Significantly higher than Total α = 0.05

Significantly lower than Total α = 0.05

Key takeaways about segment motivations and barriers to plants and gardening

Eight motivational factors exist in respect to involvement with plants and gardening

Three factors were positive motivators:

1. **Intrinsic pleasures** - personal motivators people describe such as relaxation and being able to express themselves creatively
2. **Natural beauty** - a form of extrinsic motivation in terms of being surrounded by beauty and encouraging nature
3. **Plants for people** - a form of social motivation in terms of plants and gardening connecting the person to others in their lives or reminding them of relationships in the past.

The remaining five factors were demotivators:

1. **Bad memories** - previously negative experiences with keeping plants alive
2. **Dirty work** - an aversion to getting hands dirty in working with soil
3. **Fear and loathing** - a fear of failure and an embarrassment about the state of their plants or garden
4. **Beast of burden** - an aversion to the time and effort needed to look after or maintain plants
5. **Physical challenge** - concern about not being able to physically enjoy gardening including being too exposed to the sun

The consumer segments varied in terms of the extent to which they were motivated or demotivated by each of these factors.

Enthusiasts, Garden Proud and Early Bloomers are positively influenced by the motivators and less likely to be affected by demotivators. The only exception being the older Garden Proud segment who do acknowledge that physical challenges can inhibit their enjoyment of plants and gardening.

Small Space Curators are more likely to identify positive motivations in terms of intrinsic pleasures and plants for people. At the same time they are also likely to identify a degree of anxiety about a fear of failure or embarrassment with their plants and gardens.

Dabblers' low engagement with the category is reflected in their neutral scores on the positively motivating factors. They are also less likely to see plants as a social motivator by enhancing their connection to people. They are also less likely to score highly on any of the demotivating factors, indicating that there are few people in this segment that are turned off by plants and gardening in any way.

The Plant Curious are relatively neutral in regard to the score on positive motivational factors and not likely to be motivated by intrinsic pleasures. They are more likely to suffer from being demotivated by bad memories of past plant experiences and have some anxiety about their ability to have success in the future with plants.

Neither the Unavailable or Leaf Loathers indicate they are positively motivated by any of the factors and are significantly more likely to identify with the demotivators when describing their relationship with plants and gardening.

Key takeaways about segment motivations and barriers to plants and gardening (cont).

Eight ability barriers were identified with regard to buying more indoor and outdoor plants

The four outdoor barriers are:

1. **Contextual challenges** - relating to the suitability of the environment or lack of access to tools needed for outdoor gardening
2. **Lack of care/skill** - inability to keep plants alive through inadequate skill or neglect
3. **Capacity** - not having enough room or having enough plants already
4. **Being uninvolved outdoors** - simply not having personal involvement in the outdoor garden

The four indoor barriers are:

1. **Lack of confidence** - not having confidence they can care for indoor plants
2. **Mess, dirt and lacking the tools** - a perception that indoor plants create mess, are dirty and smell or lack the necessary tools
3. **Lack of place and space** - not having enough space or the right place for indoor plants
4. **Other priorities** - a preference to spend time and money on other things

The consumer segments varied in terms of the extent to which they were inhibited by these barriers.

Enthusiasts and Garden Proud were largely unaffected by any of the indoor or outdoor barriers, the only exception being a lack of place or space for indoor plants. This was a more significant issue for the outdoor oriented Garden Proud.

Early Bloomers are somewhat constrained by the indoor barriers of lacking confidence and their concerns about the mess, dirt and smell of indoor plants or a lack of the necessary tools. The only outdoor constraints relate to contextual challenges.

Small Space Curators reflect barriers in both indoor and outdoor areas ranging from space constraints in both areas and a lack of care, skill and confidence.

Dabblers are the exact opposite of Small Space Curators and show few barriers to buying or owning more indoor or outdoor plants. The reason they don't is more a function of low levels of motivation rather than barriers getting in the way.

The Plant Curious are the most constrained of all segments by barriers, even more than others who have not purchased plants recently. Space related constraints both indoors and outdoors are prevalent as is a lack of confidence, skill and knowledge. They are also less likely to be uninvolved outdoors and have other priorities that compete with notions of buying more indoor plants.

The Unavailable are similar to the Dabblers in that they are unlikely to identify significant barriers that prevent them from buying in the category. Their defining trait of a lack of interest in plants and gardening is once again apparent.

Leaf Loathers are constrained by not being involved in outdoor gardening pursuits and having other priorities when it comes to owning more indoor plants. They also exhibit lower levels of confidence, care and skill when it comes to plants than others.

Key takeaways about segment motivations and barriers to plants and gardening (cont.)

Combining the motivation and barrier profiles creates a framework for considering behaviour change with respect to each segment

Changing category purchase behaviour and therefore growth within each segment is possible by:

- Leveraging the already high motivation and ability of Enthusiasts by increasing the frequency of triggers to act such as seasonal prompts for purchase
- Increasing triggers to act based on the outdoor garden and DIY garden projects for Garden Proud and Early Bloomers
- Making it easier for Small Space Curators to use potted plants (indoor and outdoor) to indulge their love of making their home look fabulous
- Increasing the emotional relevance of plants and gardening among Dabblers
- Helping Plant Curious find success in the category

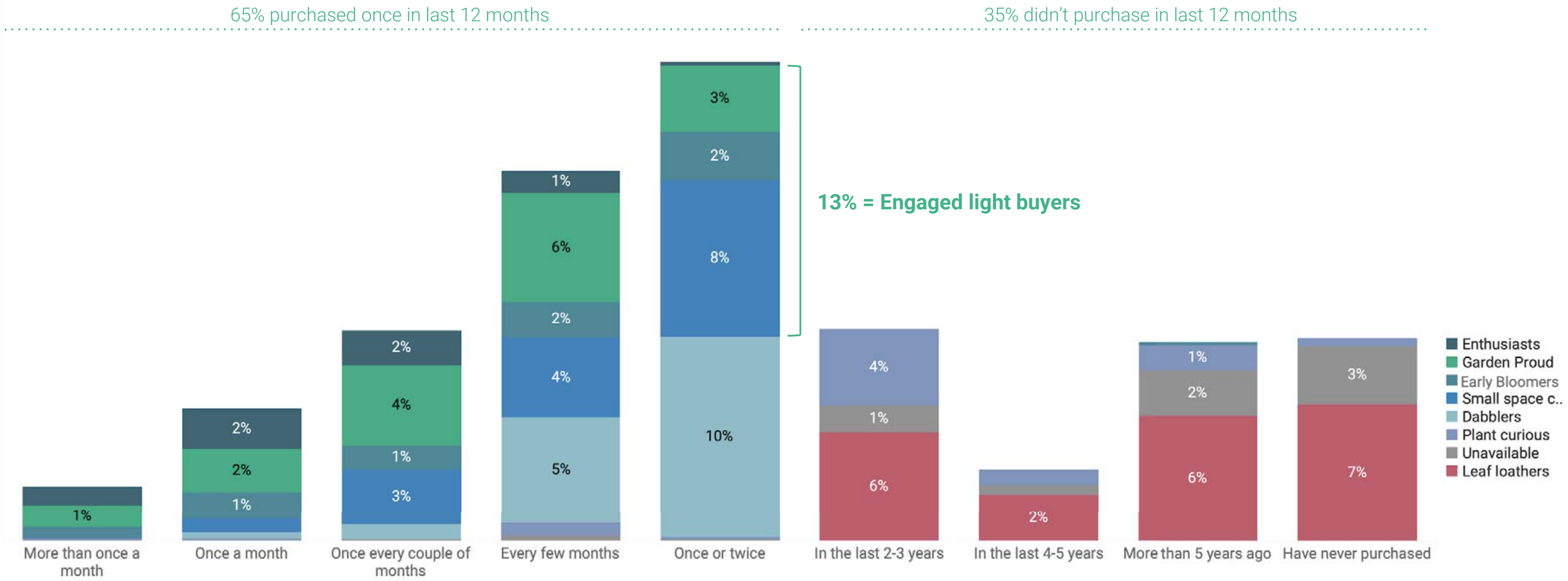
Targeting Segments for Growth

TheNavigators

Opportunities for growth

One opportunity for growth is targeting light buyers who have only purchased in the category once or twice in the last 12 months. The light buyers segments with the greatest inclination to buy in the category are Garden Proud, Early Bloomers and Small Space Curators. Taken together, these "engaged light buyers", account for 13% of the total market.

When last, if ever, have you bought...? & How frequently have you bought plants in the past 12 months?



Sample sizes: Total n=1,651,

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Segments by average number of plants purchased in last 12 months

On average Small Space Curators and Dabblers purchased 6 plants in total over the last year. Early Bloomers and Garden Proud purchased approximately 20 and the Enthusiasts purchased 30 on average.

	Grand Total	Enthusiasts	Garden Proud	Early Bloomers	Small space curators	Dabblers	Plant curious	Unavailable	Leaf loathers
Average number of plants purchased for **indoor areas** in last 12 months	1.6	9.5 △	1.1 ▽	3.6 △	2.4 △	1.3	0.0 ▽	Sample size too small	Did not purchase in the category
Average number of plants purchased for **plant in pots outdoors** in last 12 months	3.1	10.4 △	6.3 △	6.0 △	2.5 ▽	2.4 ▽	0.8 ▽		
Average number of plants purchased to **plant in the ground outdoors** in last 12 months	4.3	10.1 △	12.8 △	9.1 △	1.1 ▽	2.0 ▽	0.2 ▽		
Overall average number of plants purchased in last 12 months	9	30 △	20 △	19 △	6 ▽	6 ▽	1 ▽		

Sample sizes: Grand Total n=1,651,
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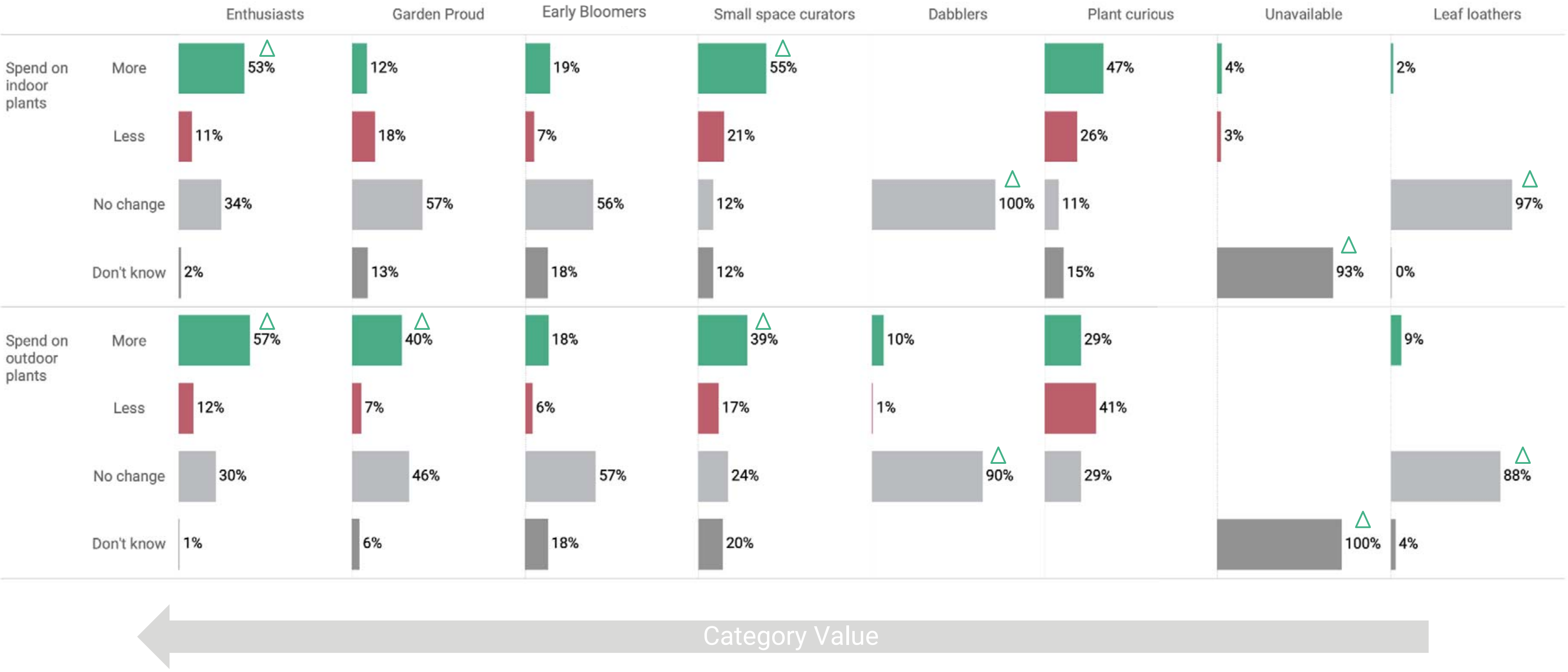
Expected change in category spend over next 12 months

Despite the already high level of investment Enthusiasts make in the nursery category, the majority of them expect to spend more in the future on both indoor and outdoor plants than they did in the previous year. The same is true for the outdoor plant centric Garden Proud, reflecting that the already high value segments have further headroom for growth in purchasing. There is a sense of momentum amongst the Small Space Curators that makes them a potential target for growth, but their spend in the category is low.

Over the next few years do you expect the money you spend on plants to increase or decrease?



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Incremental value by increasing weight of purchase

The table below shows the current state of the market by segment. From the estimates collected in this survey, the share of value for each segment is calculated based on the size of the segment and their estimated annual spend on plants. By applying this share of value to the overall retail value of the industry as reported by Hort Innovation for the 2019-2020 financial year, the monetary value of each segment is calculated to give an indicative picture. This analysis shows the Garden Proud are the largest segment in value terms, given their relatively large size (17%) and relatively large spend. The Dabblers are a similarly sized segment (17%), but currently account for less than half the value of the Garden Proud.

The Small Space Curators (16%) are also a similar segment size and despite their space constraints tend to spend more on average per plant than other segments. It is however important to note that although their segment size is double that of Early Bloomers (8%), this segment purchase three times more plants than Small Space Curators and hence are more likely to Increase the number of plants purchased per year.

The right-hand table shows, if 5% growth was to be achieved within each segment, what the number of additional plant sales per annum would be required in order to achieve this level of growth. It also shows the respective increase in annual average spend per segment and the incremental retail sales value to the industry for each segment if this scenario occurred. It is important to consider current behaviour patterns, propensity and the possibility of influencing purchase intent as part of the segmentation review.

Segment	Segment Size	Annual Ave number of plants purchased	Average annual spend	Average spend per plant	Value	Share of value	2020 Est. Retail value of segment	Incremental growth in spend	Incremental additional plants purchased	New Annual Ave Spend	Incremental retail sales value
Enthusiasts	6%	30	$ 518.00	$ 17.27	$ 31.08	20%	$269,297,410	5%	1.5	$ 544	$13,464,870
Garden Proud	17%	20	$ 306.00	$ 15.30	$ 52.02	33%	$450,735,240	5%	1.0	$ 321	$22,536,762
Early Bloomers	8%	19	$ 296.00	$ 15.58	$ 23.68	15%	*$205,178,979	5%	1.0	$ 311	$10,258,949
Small Space Curators	16%	6	$ 188.00	$ 31.33	$ 30.08	19%	$260,632,757	5%	0.3	$ 197	$13,031,638
Dabblers	17%	6	$ 114.00	$ 19.00	$ 19.38	12%	$167,920,972	5%	0.3	$ 120	$8,396,049
Plant Curious	7%	1	$ 19.70	$ 19.70	$ 1.38	1%	$11,946,428	5%	0.1	$ 21	$597,428
Unavailable	8%	0	$ -	$ -	$ -	0%	$0	5%	0.0	$ -	$0
Leaf Loathers	21%	0	$ -	$ -	$ -	0%	$0	5%	0.0	$ -	$0
Total	*100%*	*10.25*		*$ 19.70*	*$ 157.62*	*100%*	*$1,365,711,785*				

* 2020 Estimated retail value of plant sales provided by Hort Innovation from the 2019-2020 Industry Survey.

TheNavigators

Key takeaways about targeting segments for growth

Positive category momentum will support the industry's short-term growth ambitions

There is a pre-existing intention among many of those who purchased plants in the last year to increase their spend in the near future. This is particularly true for the most valuable and highly engaged segments of Enthusiasts and Garden Proud. Given the high value of these segments today, accounting for 53% of retail value, if they were to follow-through on their intention, the industry's growth objectives would almost certainly be met.

Members of these two segments will find their way to buying more plants as they are highly motivated, emotionally committed to the category and constrained by few barriers.

Longer term growth ambitions will require growing the number and involvement of category participants

The long term health and growth of the category will stand to benefit more by expanding the number of people who participate in the category and deepening the involvement of those who are light buyers in the category, so they may become the Enthusiasts and Garden Proud of tomorrow. It is with this perspective in mind that we recommend the efforts of the industry are focussed on those who have the potential to buy more often and for those on the cusp of the category to re-engage and purchase plants once more.

The best prospects to grow incremental revenue are Early Bloomers and Small Space Curators

These two segments provide an addressable target for industry marketing and communication initiatives, making it easier to target and create an opportunity to communicate with people in these segments accounting for 25% of the population and 34% of current retail sales value to the industry.

The size of the segments also mean that a relatively small increase in purchase frequency, a very attainable objective among members of these two segments can meet the industry's short-term growth ambition.

If only one segment can be targeted, Early Bloomers offer the advantage of stretching their purchasing power across both indoor, outdoor potted plants and plants for the ground. In contrast, Small Space Curators concentrate their spend on potted plants.

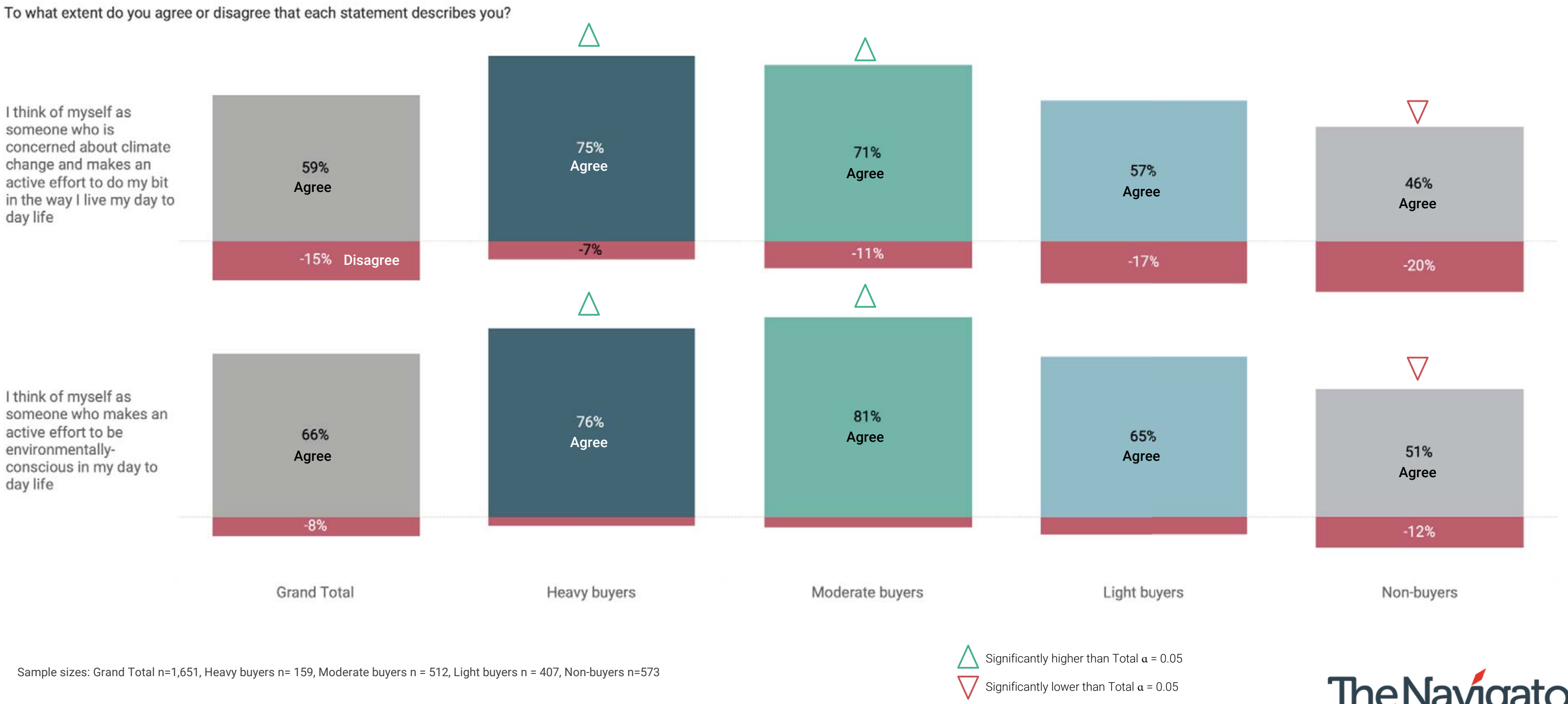
The basis of this recommendation does not ignore the potential for growth among the most committed segments of Enthusiasts and Garden Proud. Given the involvement of such people in the category it is likely that any initiative targeting Early Bloomers or Small Space Curators will be successful in acting as a further prompt for them to continue their plant passion.

Segment attitudes toward sustainability and gardening

The Navigators

What's the relationship between sustainability concerns and plant buying behaviour?

Approximately 6 in 10 most Australian adults describe themselves as people who are concerned about climate change and the environment, making an active effort to do their bit in day to day life. Those who are the heaviest buyers of plants are significantly more likely to agree with these attributes than average Australians.



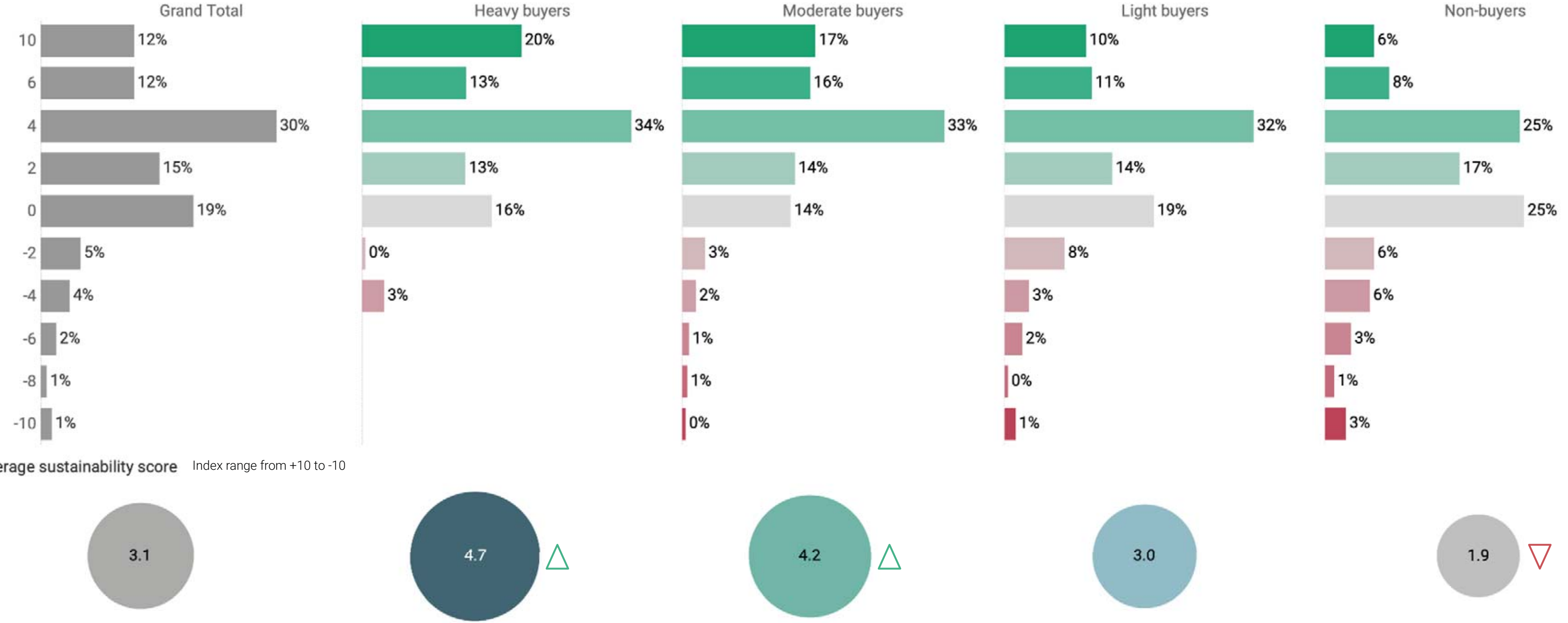
Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

TheNavigators

What’s the relationship between sustainability concerns and plant buying behaviour?

To examine the relationship between the intensity of the concerns held regarding sustainability, we have calculated an index score for each respondent based on their agreement or disagreement with the statements regarding concern for the environment and climate change. A score of +10 is calculated for people who strongly agreed with both statements and a score of -10 is given to respondents who strongly disagreed with both statements. The chart below shows the distribution and average sustainability index score for each buyer type.

Average sustainability score by weight of purchase



Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

△ Significantly higher than Total α = 0.05

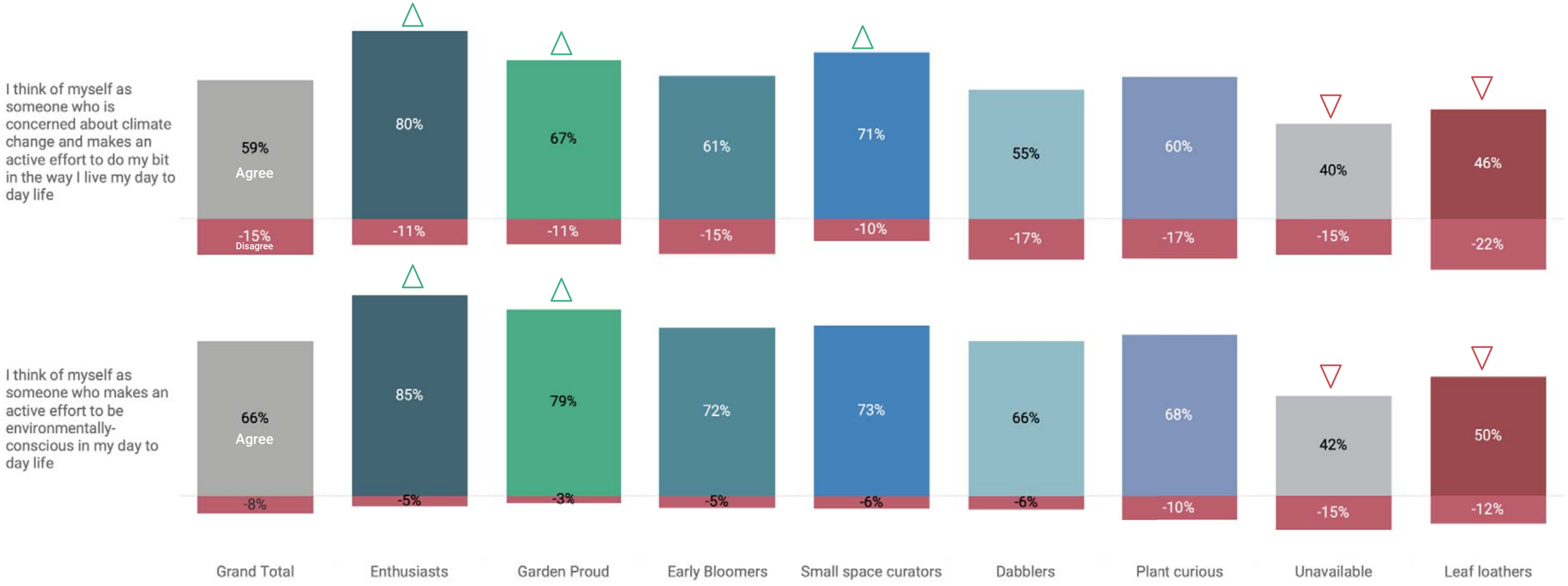
▽ Significantly lower than Total α = 0.05

TheNavigators

What's the relationship between sustainability concerns and consumer segments?

The segments with the highest incidence of agreement with the attributes relating to climate change and environmental sustainability are the Enthusiasts and Garden Proud. Small Space Curators also are more likely than the average Australian to be concerned about climate change. The Unavailable and Leaf Loathers are significantly less likely to hold concerns about climate or the environment.

To what extent do you agree or disagree that each statement describes you?



Sample sizes: Enthusiasts n=96, Garden Proud n= 327, Early Bloomers n = 110, Small Space Curators n = 245, Dabblers n=280, Plant Curious n=117, Unavailable n=123, Leaf Loathers n=353

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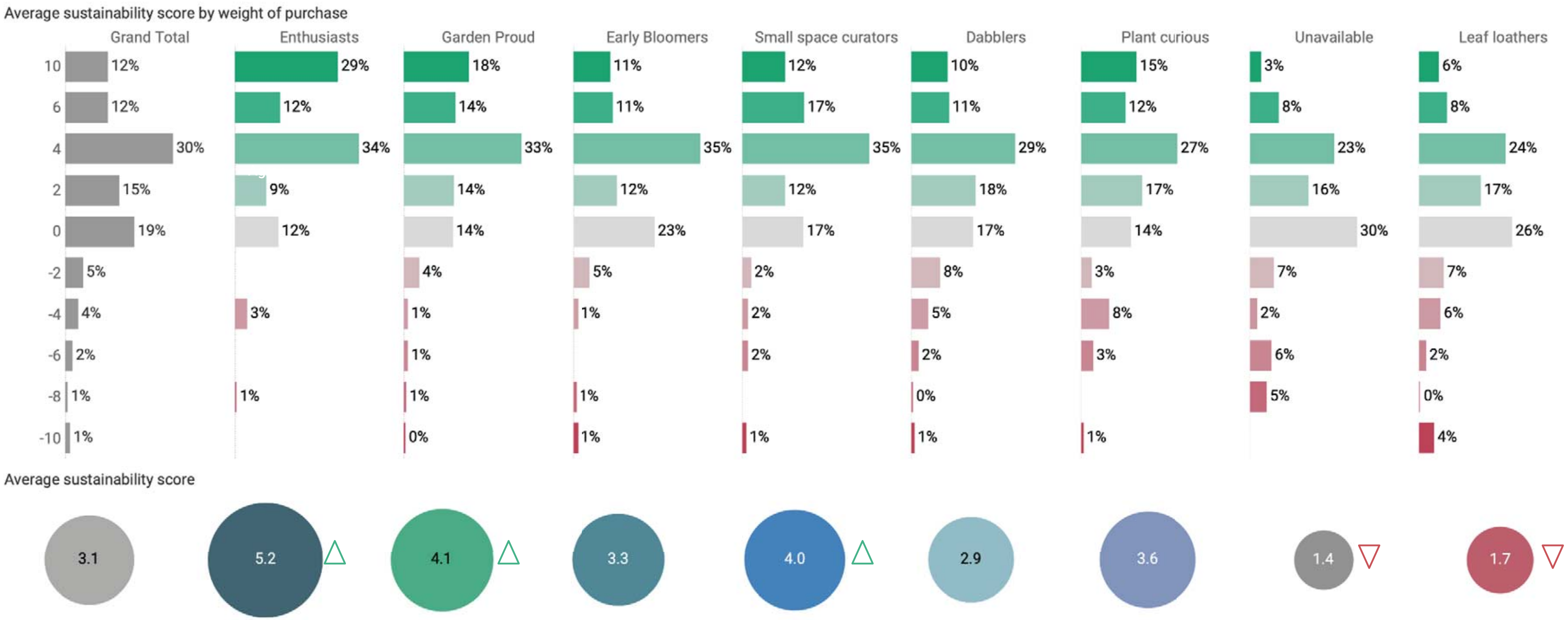

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△ Significantly higher than Total α = 0.05

▽ Significantly lower than Total α = 0.05

TheNavigators

Key takeaways about sustainability and gardening

Most Australians claim to be concerned about sustainability in regard to the environment and climate change

The majority of Australians consider themselves to be people who are concerned about the environment and climate change and agree that they try to act day to day in ways that are good for the environment and the climate.

Involvement in plants and gardening correlates with concerns about sustainability

This positive disposition toward sustainability is stronger among people who are the most active in the nursery category, the heavy buyers from a weight and frequency of purchase perspective and the Enthusiast segment from a consumer segmentation perspective.

The less involved people are with plants and gardening the less likely they are to have a disposition toward sustainability. Those who did not buy any plants in the last 12 months show a weaker sentiment toward issues of sustainability than people who did buy in the category.

Of those who did not buy in the category in the last year, the Plant Curious show a more positive sustainability orientation. Given this positive disposition, there may be an opportunity to use sustainability as a platform to encourage members of this segment to buy plants as another means of doing their bit to contribute toward creating more a sustainable environment and climate.

Segment personas and graphical summaries

TheNavigators

ENTHUSIAST

Segment Size	6% of Adults
Segment Value annum	$269M per

Status	Family with teenage kids
Work	Full-time, HHI $120K
Dwelling	House that he owns with the bank that has a front & back yard in the suburbs
Traits	Plant lover, highly involved, environmentally conscious

Interest

Confidence

"What's not to love about getting your hands dirty in the garden? It is so rewarding to watch the garden flourish."

Bio

James loves plants. He loves the aesthetic value that they add to his home and garden as well as the physical benefits he derives from gardening. For him, gardening is more than just a hobby, it is a way of life.

James has been working on his garden for a number years now and is proud of what he has achieved. His love of plants extends into his home, where he has tried to bring some green into most rooms.

To fill the large beds, ensure impactful colour in his pots and keep the veggie garden seasonal, James is constantly planting seeds and propagating or buying new plants.

He is accomplished enough to experiment, to tackle DIY projects and give advice. He's always up for a trip to the nursery to get exactly what he needs.

Generally on the weekend James will buy plants from a local nursery not far from his home. Sometimes he will also buy from bigger hardware stores when making a trip to pick up things for his latest DIY project.

Indoor plants bought last year	10
Outdoor plants bought last year	20

Motivators

Intrinsic pleasure - gardening is both a peaceful and physical activity.

Natural beauty - being close to nature, being outdoors and aesthetic appeal.

People - Enthusiast's gardens are part of their legacy. They also like giving plants as gifts to family and friends.

Sustainability - Enthusiasts see gardening as contributing to the environment, grown their own produce and allowing them to compost organic household waste

Barriers

There are few barriers to buying more plants other than having enough space to accommodate new and interesting additions.

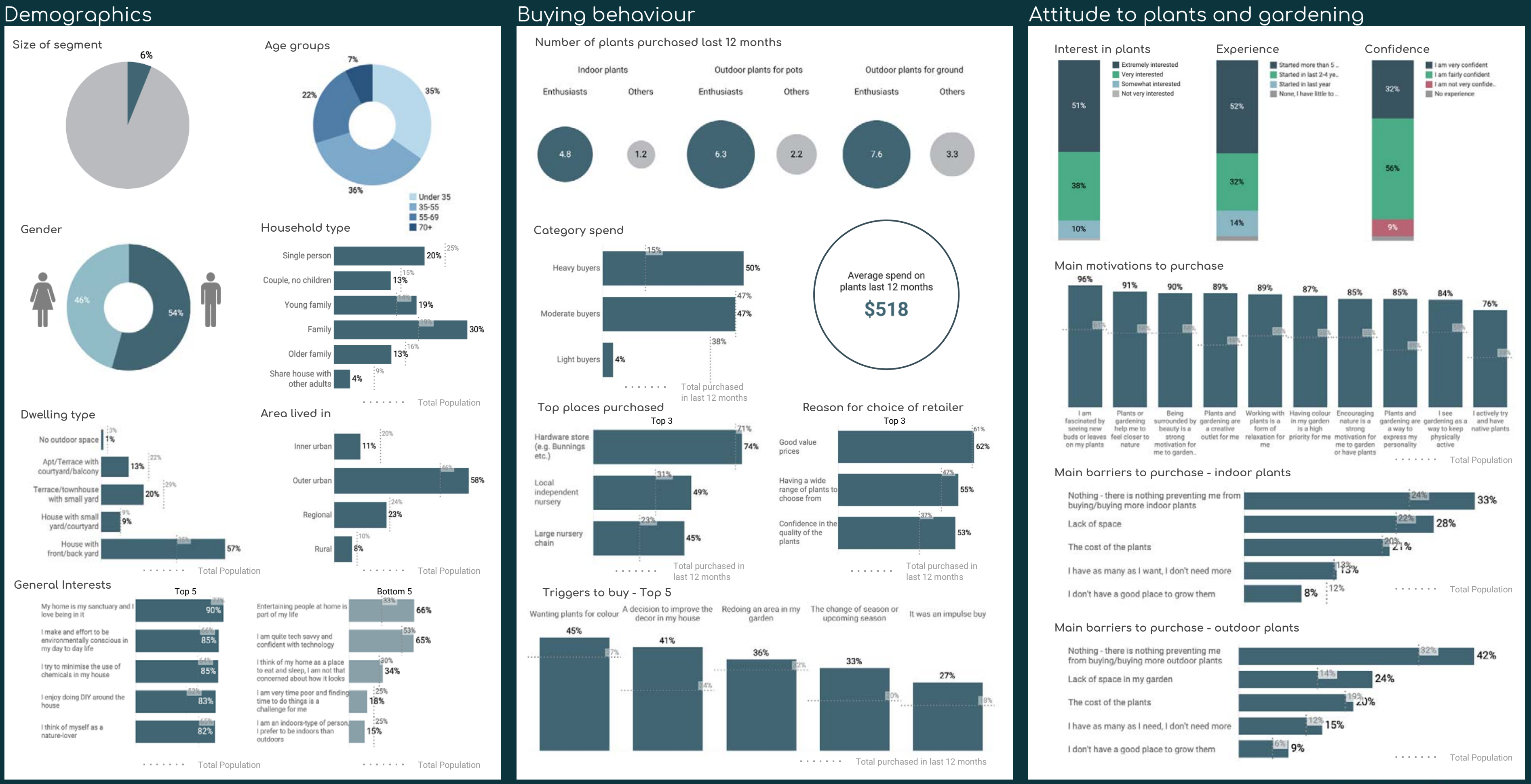
How to engage

Feed their passion - Always eager to expand their collection and buy new and interesting plants.

Inspire - provide ideas for garden or DIY projects that will trigger new plant purchases.

Gifting - They love to share their love of plants. Provide fresh gift ideas that allow them to express their passion to others.

ENTHUSIASTS



TheNavigators

GARDEN PROUD

Segment Size	17% of Adults
Segment Value annum	$451M per

Status	Couple, older children no longer living at home
Work	Retired, HHI $45K
Dwelling	Fully own their house with front/back yard a regional city
Trait	Active outdoors, DIY/Project focus, environmentally conscious

Interest

Confidence

"We spend most of our time outdoors in the garden, often deciding what our next project will be!"

Bio

Anne and her husband both love to keep busy with DIY and craft projects, but their true passion is gardening. Having a beautiful home starts with having a beautiful garden.

Since they retired, they have been able to focus more of their time and energy on their veggie garden and put their extra space to good use. While they have a few indoor plants, their gardening passion is firmly rooted in the outdoors.

Anne plans her garden carefully, making sure to plant correctly for the soil conditions, the new season and for visual impact. She's also careful to avoid plants that could harm her dogs.

She knows she spends more than she probably should on plants at both the hardware store and the local nursery, but being outside keeps them fit and happy. Besides, they're not planning on moving anytime soon, so it's not going to waste.

Anne also propagates her own plants and swaps with neighbours to add to her collection. In fact, people often ask for advice and Anne's more than happy to share her knowledge and love of plants with them.

Indoor plants bought last year	1
Outdoor plants bought last year	19

Motivators

Pride - The garden is a public statement of their achievement, expertise and care.

Beauty - seeing their garden grow, flower and produce is a source of joy for them.

Health - gardening is relaxing but also a source of physical activity.

Creativity - gardening and DIY projects keep this group inspired.

Fresh produce - Garden Proud delight in putting food on their table and that of their family and friends.

Barriers

Generally few barriers to buying more outdoor plants, but indoor plants are really part of their home decor.

Cost - good value prices and good quality of plant are important factors.

Capacity - there are few areas of the garden that are yet to be utilised and Garden Proud are capable of producing new plants from cuttings.

How to engage

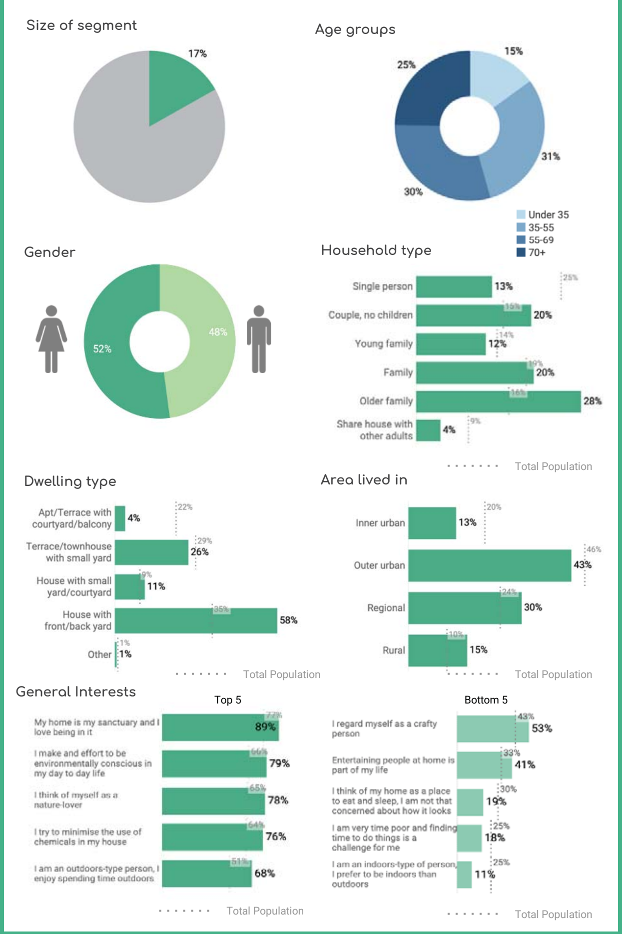
Inspire - provide the spark that ignites the next garden or outdoor DIY project, or inspires a complete makeover of a section.

Newness - intrigue Garden Proud with new colourful plants or edible varieties that they can add to their veggie patch.

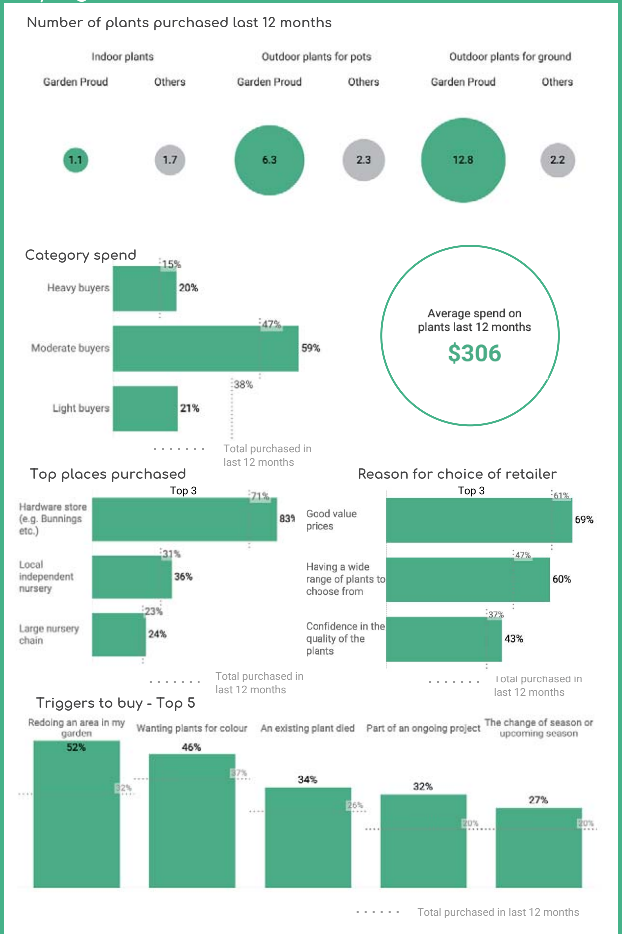
Tips & hints - Always open to learning and is practical so show them how to do things easier or better.

GARDEN PROUD

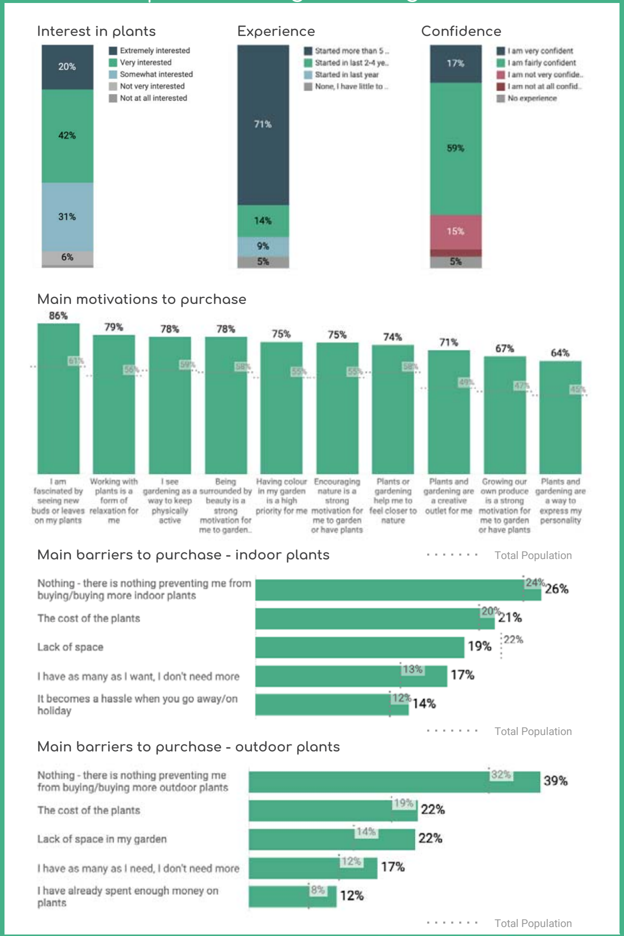
Demographics



Buying behaviour



Attitude to plants and gardening



TheNavigators

EARLY BLOOMER

Segment Size	8% of Adults
Segment Value	$205M per annum

Status	Couple with no children
Work	Full time, HHI $150K
Dwelling	An urban townhouse with small front and back courtyard
Traits	Interested, future potential

Interest

Confidence

"I like looking after my plants and I like my home to feel leafy and natural. It's good to have a little bit of nature indoors to green up my space."

Bio

Paul lives with his partner in a townhouse with modest space for his growing interest in plants. He's built up a small collection of indoor plants, but is really trying to make his courtyards leafy, cool and natural oasis to spend time in. He's also nurturing a herb garden so that he's got fresh herbs on hand for when he and his partner cook.

Most of his plant shopping happens over the weekend at markets or at the hardware store where he is exposed to a wide variety at a good price. He's usually looking for something a little different or that he just likes the look of - even if it's the pot that he falls for.

Paul doesn't only shop for himself, he knows that plants make a great gift.

His interest in plants was inherited from his mum who is the real green thumb in the family. He's learnt quite a bit from her over the years and although fairly confident, is still keen to know more.

He's pretty handy with small DIY projects and is on the lookout for ways to improve his home.

Indoor plants bought last year	4
Outdoor plants bought last year	15

Motivators

Intrinsic pleasure - plants are a source of pride and are a connection with nature.

Plants for people - while still learning about plants and gardening the Early bloomers are keen to learn from others. Plants also make a nice gift for friends and family.

Barriers

Knowledge - especially learning more about outdoor plants.

Cost - good value prices and quality of plant are important factors.

Fear of failure - although confident, there is still some fear of not being able to keep plants alive. Particularly the expensive ones.

Engage with me

Catch their eye - Attracted by the look of both plants and their pots.

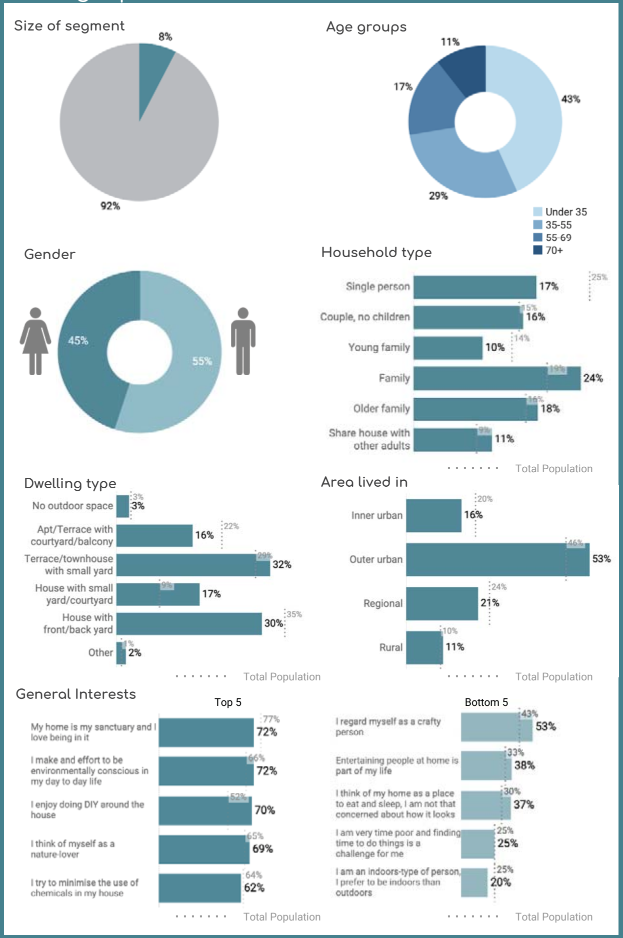
Gifting solution - make it easy to choose an appealing, budget-friendly gift.

Educate - make it easy to learn more, especially about outdoor gardening.

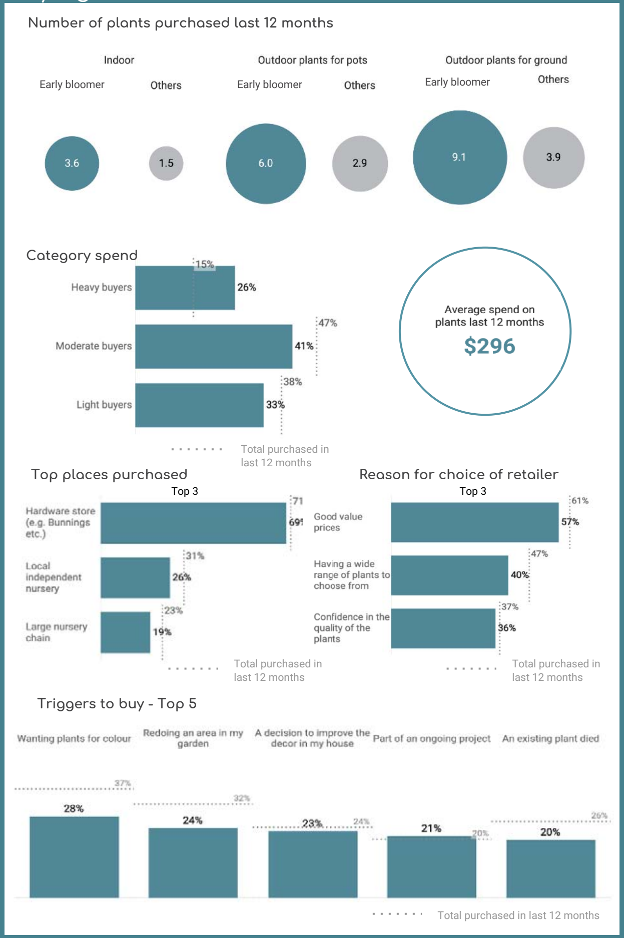
Simplify - low maintenance solutions that allow time away from home without worrying about which plants will survive.

EARLY BLOOMERS

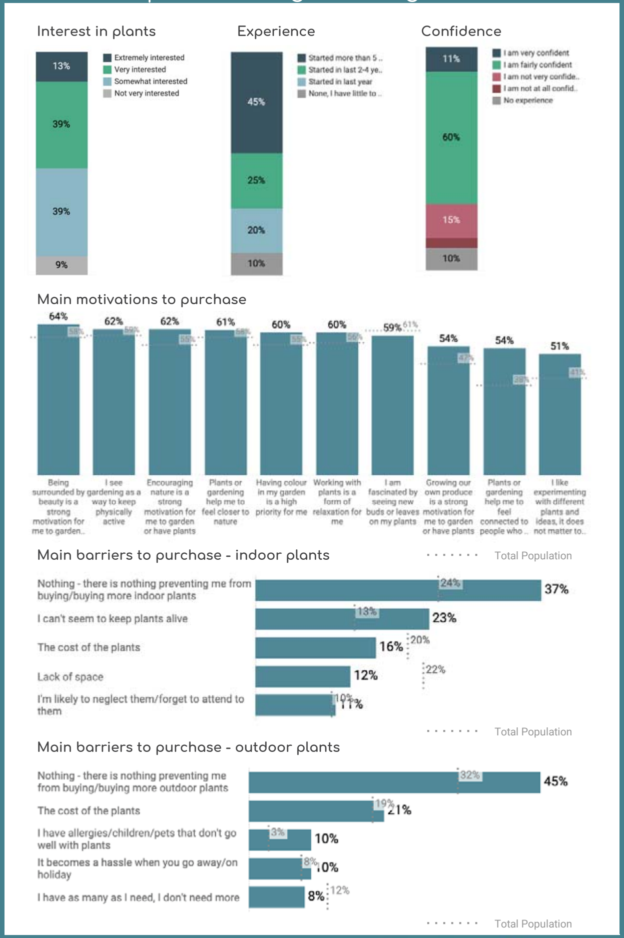
Demographics



Buying behaviour



Attitude to plants and gardening



TheNavigators

SMALL SPACE CURATOR

Segment Size	16% of Adults
Segment Value	$261M per annum

Status	Married with a young family
Work	Part-time, HHI $110K
Dwelling	Rented, urban, terraced apartment
Traits	Aesthetically driven, space constrained, environmentally conscious

Interest

Confidence

"I love making my home beautiful. I just wish I had more space, time and money to do it with!"

Bio

Mel, her husband and their busy 4 year old recently moved to a rented terrace with a courtyard. Now for the job of decorating their new place! Plants are Mel's go-to for bringing colour and creativity into her space quickly and without blowing the budget. She's seen a few ideas on instagram that she's keen to try.

Mel keeps her eyes open when she's at Bunnings or her local grocer, just in case there's something 'just right' to add to her trolley.

With the limited space, potted plants work best for her both indoors and outdoors. They are also fairly low maintenance without needing much in the way of tools or storage. And if needed, she gets someone in to help with the big stuff. She's currently experimenting with some herbs in a sunny spot that she planted up with her daughter. It'll be nice to have them to cook with (her other creative outlet), but also nice to see them grow.

Although Mel seems like a competent gardener to her friends, she sometimes wishes you knew a bit more when it comes to plants.

Indoor plants bought last year	2
Outdoor plants bought last year	4

Motivators

Relaxation - time in the courtyard with her plants is like taking a deep breath after a busy day.

Creativity & expression - through colour, texture and variety of plants, Mel gets to experiment with her own style.

Nature - plants allow nature into the house and provide a way of sharing her love of outdoor activities with her daughter.

Feel good - improving their home is important to her and Mel gets a kick from a compliment.

Barriers

Space - there simply is no more space to put more plants.

Time & other priorities - children, work, home, friends... it's hard to find time for gardening.

Knowledge - Mel wants to learn more and feels her knowledge of outdoor plants especially is lacking.

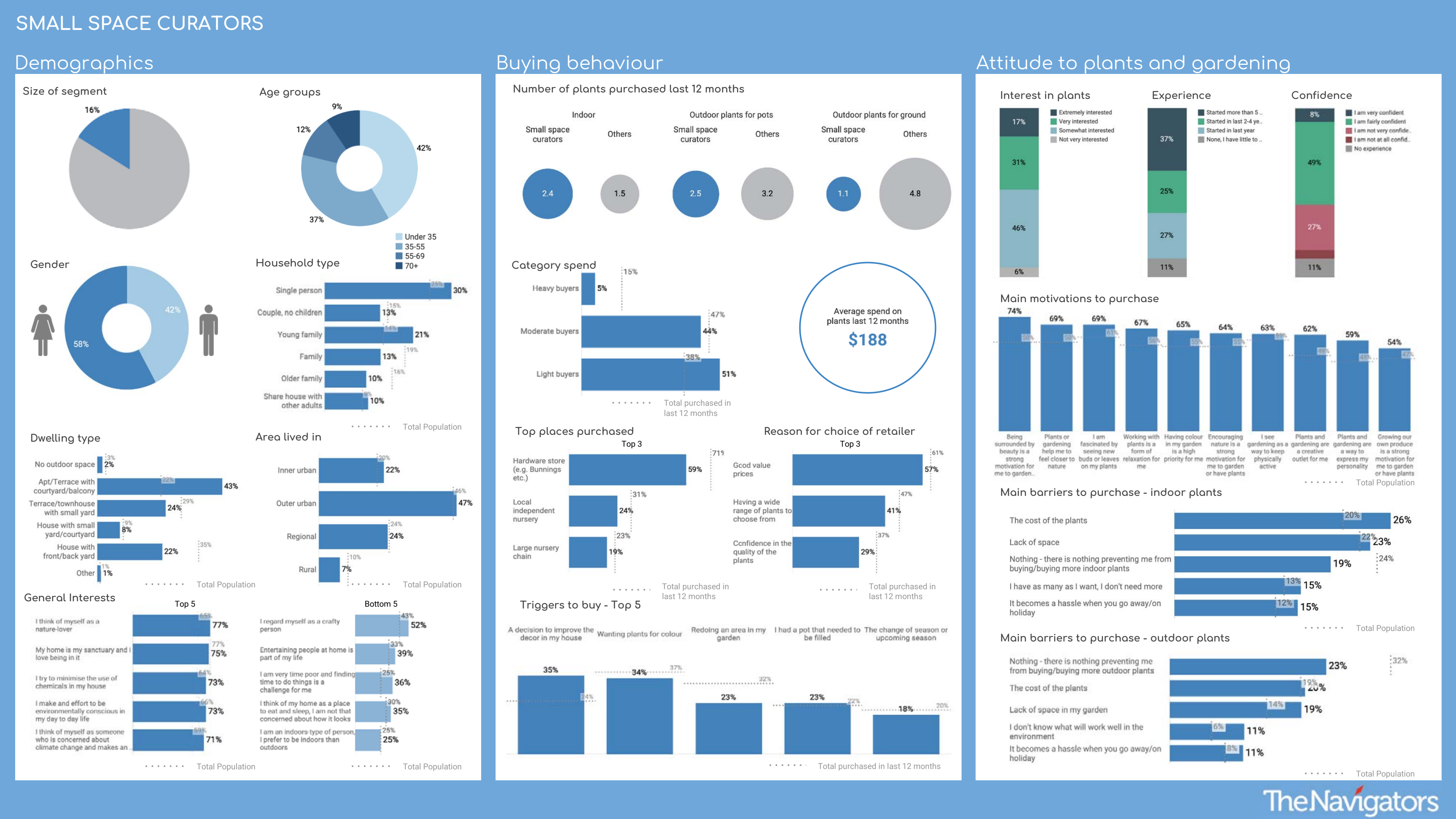
Budget - price and quality are important to justify the spend.

Engage with me

Inspire - Mel wants to be inspired by relevant content and is comfortable on digital channels.

Educate - show her how to better make use of limited space and boost her confidence and ability by sharing knowledge.

Nurture - Mel will move again and next time possibly to a bigger property with more garden.


SMALL SPACE CURATORS
Demographics
Size of segment
16%
Age groups
9%
12%
42%
37%
Under 35
35-55
55-69
70+
Gender
42%
58%
Household type
Single person 30%
Couple, no children 13%
Young family 21%
Family 13%
Older family 10%
Share house with other adults 10%
Total Population
Dwelling type
No outdoor space 2%
Apt/Terrace with courtyard/balcony 43%
Terrace/townhouse with small yard 24%
House with small yard/courtyard 8%
House with front/back yard 22%
Other 1%
Total Population
Area lived in
Inner urban 22%
Outer urban 47%
Regional 24%
Rural 7%
Total Population
General Interests
Top 5
I think of myself as a nature-lover 77%
My home is my sanctuary and I love being in it 75%
I try to minimise the use of chemicals in my house 73%
I make and effort to be environmentally conscious in my day to day life 73%
I think of myself as someone who is concerned about climate change and makes an 71%
Total Population
Bottom 5
I regard myself as a crafty person 52%
Entertaining people at home is part of my life 39%
I am very time poor and finding time to do things is a challenge for me 36%
I think of my home as a place to eat and sleep, I am not that concerned about how it looks 35%
I am an indoors-type of person, I prefer to be indoors than outdoors 25%
Total Population
Buying behaviour
Number of plants purchased last 12 months
Indoor
Small space curators 2.4
Others 1.5
Outdoor plants for pots
Small space curators 2.5
Others 3.2
Outdoor plants for ground
Small space curators 1.1
Others 4.8
Category spend
Heavy buyers 5%
Moderate buyers 44%
Light buyers 51%
Total purchased in last 12 months
Average spend on plants last 12 months
$188
Top places purchased
Top 3
Hardware store (e.g. Bunnings etc.) 59%
Local independent nursery 24%
Large nursery chain 19%
Total purchased in last 12 months
Reason for choice of retailer
Top 3
Good value prices 57%
Having a wide range of plants to choose from 41%
Confidence in the quality of the plants 29%
Total purchased in last 12 months
Triggers to buy - Top 5
A decision to improve the decor in my house 35%
Wanting plants for colour 34%
Redoing an area in my garden 23%
I had a pot that needed to be filled 23%
The change of season or upcoming season 18%
Total purchased in last 12 months
Attitude to plants and gardening
Interest in plants
Extremely interested
Very interested
Somewhat interested
Not very interested
17%
31%
46%
6%
Experience
Started more than 5 ..
Started in last 2-4 ye..
Started in last year
None, I have little to ..
37%
25%
27%
11%
Confidence
I am very confident
I am fairly confident
I am not very confide..
I am not at all confid..
No experience
8%
49%
27%
11%
Main motivations to purchase
Being surrounded by beauty is a strong motivation for me to garden.. 74%
Plants or gardening help me to feel closer to nature 69%
I am fascinated by seeing new buds or leaves on my plants 69%
Working with plants is a form of relaxation for me 67%
Having colour in my garden is a high priority for me 65%
Encouraging nature is a strong motivation for me to garden or have plants 64%
I see gardening as a way to keep physically active 63%
Plants and gardening are a creative outlet for me 62%
Plants and gardening are a way to express my personality 59%
Growing our own produce is a strong motivation for me to garden or have plants 54%
Total Population
Main barriers to purchase - indoor plants
The cost of the plants 26%
Lack of space 23%
Nothing - there is nothing preventing me from buying/buying more indoor plants 19%
I have as many as I want, I don't need more 15%
It becomes a hassle when you go away/on holiday 15%
Total Population
Main barriers to purchase - outdoor plants
Nothing - there is nothing preventing me from buying/buying more outdoor plants 23%
The cost of the plants 20%
Lack of space in my garden 19%
I don't know what will work well in the environment 11%
It becomes a hassle when you go away/on holiday 11%
Total Population
TheNavigators

DABBLER

Segment Size	17% of Adults
Segment Value annum	$168M per

Status	Family, older family with kids in late teens
Work	Full time, HHI $180K
Dwelling	Owned, urban, large house with small yard areas
Traits	Busy provider, unmotivated gardener

Interest

Confidence

"We do what we must for our garden to be presentable. As long as it's neat, easy to maintain and the boys can play outside, I'm happy. Gardening isn't a priority."

Bio

Leigh is quite settled in the townhouse that she shares with her husband and two teenage sons. Their front garden is small, but their backyard is big enough to have friends over for a barbeque and for the boys to splash in the pool. It's important that their garden looks good as it's part of the overall package when they consider their home.

They do have a number of herbs growing in pots that Leigh planted from seeds and now looks after. She knows enough to grow the basics and have a regular supply of fresh herbs. She's had a watering system added to the potted plants in their backyard to so it is one less thing to have to remember to do given their busy lives.

They intentionally keep things simple and low maintenance because gardening isn't a passion for either of them, and life is just too hectic to for really getting into gardening. For bigger or messier projects, they would definitely consider paying for help.

Leigh has been known to buy a plant on impulse at the hardware store to replace a plant that has died - after all, she does like the look of plants.

Indoor plants bought last year	1
Outdoor plants bought last year	4

Motivators

Outdoor space - for the family to enjoy being outdoors and to be a pleasant place to entertain.

Own produce - plants for the kitchen offer some reward and seem worth the effort.

Physical activity - although not her favourite activity, Leigh sees the physical benefit of working in the garden.

Beauty - a presentable garden is part of the package for a nice looking and feeling home.

Barriers

Lack of motivation - gardening is not a passion, more of a chore to be fit into an already busy schedule.

Cost - unless its edibles, or a specific plant for an indoor project, gardening spend isn't a priority.

Space - although not avid gardeners, lack of space is considered a barrier for buying more plants.

Engage with me

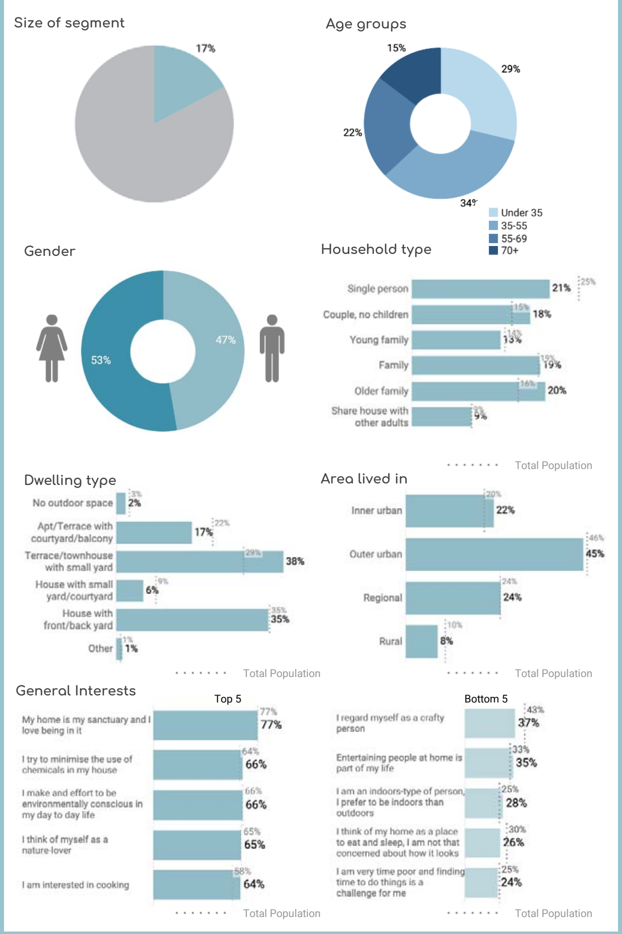
Trigger impulse purchases - they will buy the right plant at the right price if it catches her eye when out and about.

Make it really easy - show low maintenance plants, inspiration and solutions.

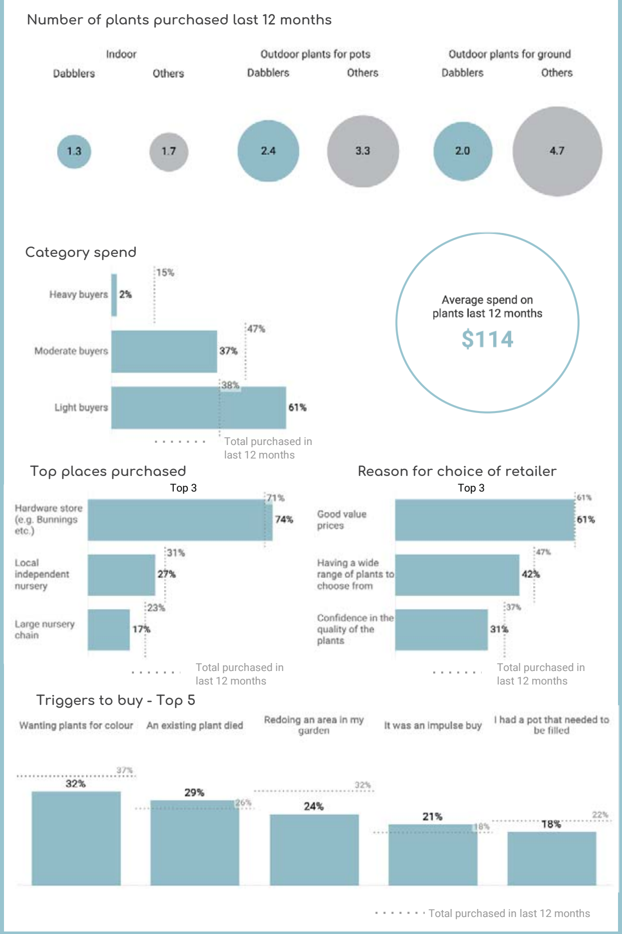
Nurture - grow and support Leigh's interest in edibles and trigger purchases for new season planting and items that will increase yield and success rate.

DABBLERS

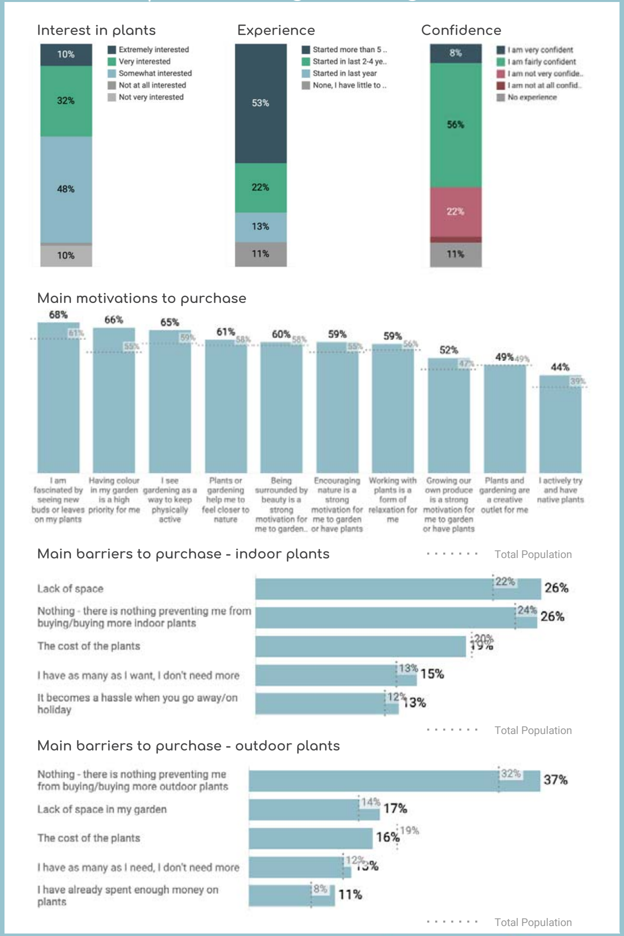
Demographics



Buying behaviour



Attitude to plants and gardening



TheNavigators

PLANT CURIOUS

"I killed the last plant I bought, in fact the pot is still empty! Maybe I should grow some veggies in it this time, but I'll have to read up on that first."

Segment Size	7% of Adults
Segment Value annum	$12M per

Status	Single person
Work	Full-time, HHI $60K
Dwelling	Rented, urban, apartment with balcony
Traits	Not motivated to garden

Interest

Confidence

Bio

Brett moved into his apartment 2 years ago. Of the 2 plants he received as housewarming gifts, only the one survived.

He tried growing a few things on his balcony, including one he slipped from his mom's garden, but without much success.

It's not that Brett doesn't like the idea of gardening or being outside, it's just that when it comes to time and money, gardening is just not a priority. Besides, he doesn't particularly enjoy it and space doesn't really allow for it. However, he is open to learn a bit more at some point.

Brett appreciates that for other people, gardening is relaxing and keeps you active, but if he were to grow herbs or veggies it would be more about having budget friendly fresh ingredients to use. He is aware that veggies would need water though.

One thing he's sure of is that if he had a bigger garden space, he'd get someone in to help him with it.

Indoor plants bought last year	0
Outdoor plants bought last year	1

Motivators

Low maintenance - plants that are easy to keep alive and don't need much attention.

Barriers

Bad memories - a history or plants dying has undermined confidence in plant ownership.

Fear & loathing - it doesn't seem worth the hassle when they end up dying from neglect or ignorance

Space - to garden you need space to get messy and to store your tools.

Budget - plants are just not a priority at the moment.

Engage with me

Make it easy - build awareness of low maintenance plants that are good for small spaces and don't require much attention.

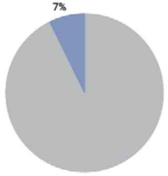
Make plants relevant - see how to link plants to other interests like making decor interesting or cooking.

Educate - short simple instructions for placement and care will encourage success.

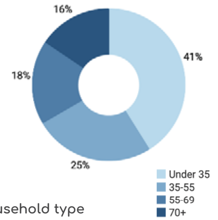
PLANT CURIOUS

Demographics

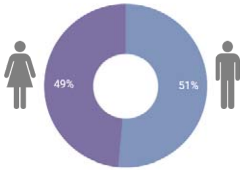
Size of segment



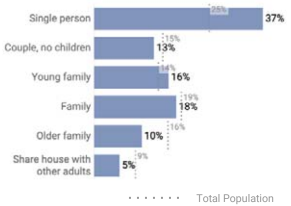
Age groups



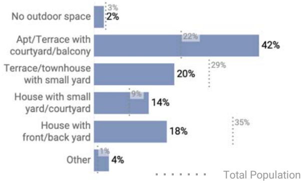
Gender



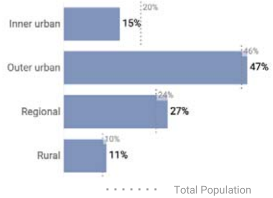
Household type



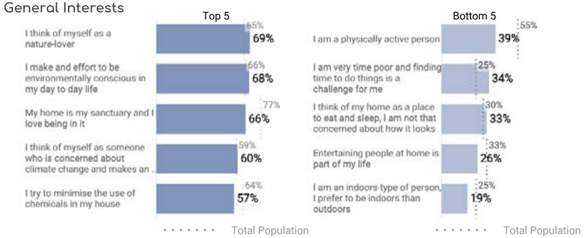
Dwelling type



Area lived in

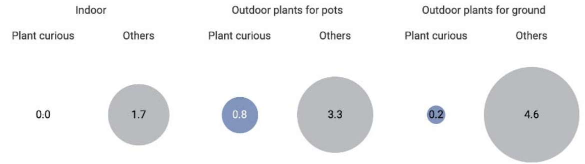


General Interests

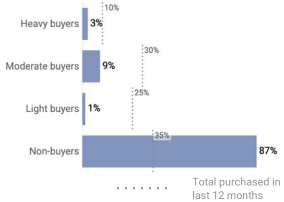


Buying behaviour

Number of plants purchased last 12 months



Category spend



Average spend on plants last 12 months

Sample size of Plant Curious who purchased in last 12 months is too small for reliable estimates

Top places purchased

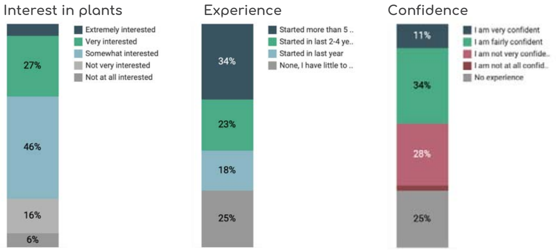
Reason for choice of retailer

Sample size of Plant Curious who purchased in last 12 months is too small for reliable estimates

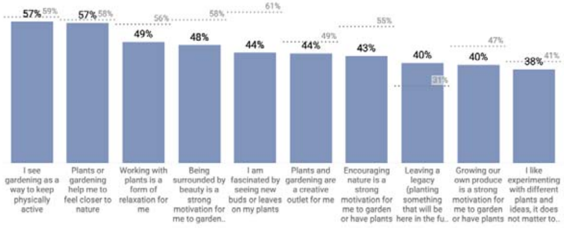
Triggers to buy - Top 5

Sample size of Plant Curious who purchased in last 12 months is too small for reliable estimates

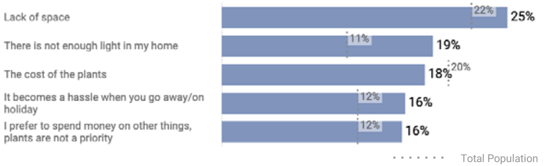
Attitude to plants and gardening



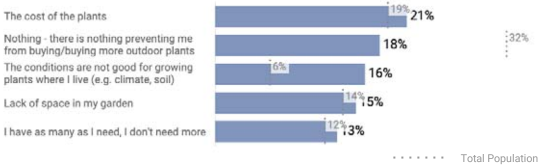
Main motivations to purchase



Main barriers to purchase - indoor plants



Main barriers to purchase - outdoor plants



Appendix 1: Latent Class Clustering Outputs and Sample Profile

The Navigators

Latent Class Segmentation Analysis using R poLCA package

```
> #Create function for combined clusters
>
> #Bind variables for poLCA
> f <- cbind(
+ #Recent spend
+  D4_group, D6_group, D8_group,
+ #Expected spend
+  A7_1, A7_2,
+ #Purchase frequency
+  Pur_freq,
+ #Type of dwelling
+ J1_new
+        )~1
>
> #Run LCA model
> model_comb <- poLCA(f, Data,
+             nclass = 8,
+             maxiter = 5000,
+             graphs = FALSE,
+             na.rm = FALSE,
+             verbose = TRUE,
+             calc.se = TRUE)
Conditional item response (column) probabilities,
 by outcome variable, for each class (row)

$D4_group
          Pr(1)  Pr(2)  Pr(3)  Pr(4)  Pr(5)  Pr(6) Pr(7) Pr(8) Pr(9)
class 1: 0.1574 0.1709 0.1467 0.0063 0.0083  0  0  0  0.5104
class 2: 0.0000 0.0000 0.0000 0.0000 0.0000  0  0  0  1.0000
class 3: 0.0071 0.0000 0.0000 0.0000 0.0000  0  0  0  0.9929
class 4: 0.3432 0.2026 0.1111 0.0263 0.0092  0  0  0  0.3076
class 5: 0.0000 0.0000 0.0000 0.0000 1.0000  0  0  0  0.0000
class 6: 0.0000 0.0000 0.0000 1.0000 0.0000  0  0  0  0.0000
class 7: 0.1010 0.1536 0.3400 0.0000 0.0000  0  0  0  0.4055
class 8: 0.1554 0.2643 0.1774 0.1133 0.0198  0  0  0  0.2699

$D6_group
          Pr(1)  Pr(2)  Pr(3)  Pr(4)  Pr(5).  Pr(6) Pr(7) Pr(8) Pr(9)
class 1: 0.0523 0.1144 0.1907 0.0000 0.0000  0  0  0  0.6426
class 2: 0.0000 0.0000 0.0000 0.0000 0.0000  0  0  0  1.0000
class 3: 0.0062 0.0000 0.0069 0.0000 0.0000  0  0  0  0.9869
class 4: 0.2014 0.2321 0.1072 0.0000 0.0000  0  0  0  0.4593
class 5: 0.0000 0.0525 0.0181 0.0000 0.9124  0  0  0  0.0170
class 6: 0.0000 0.0186 0.1654 0.8036 0.0000  0  0  0  0.0124
class 7: 0.0000 0.0113 0.1761 0.0000 0.0000  0  0  0  0.8126
class 8: 0.1445 0.2792 0.2074 0.0000 0.0000  0  0  0  0.3689
```

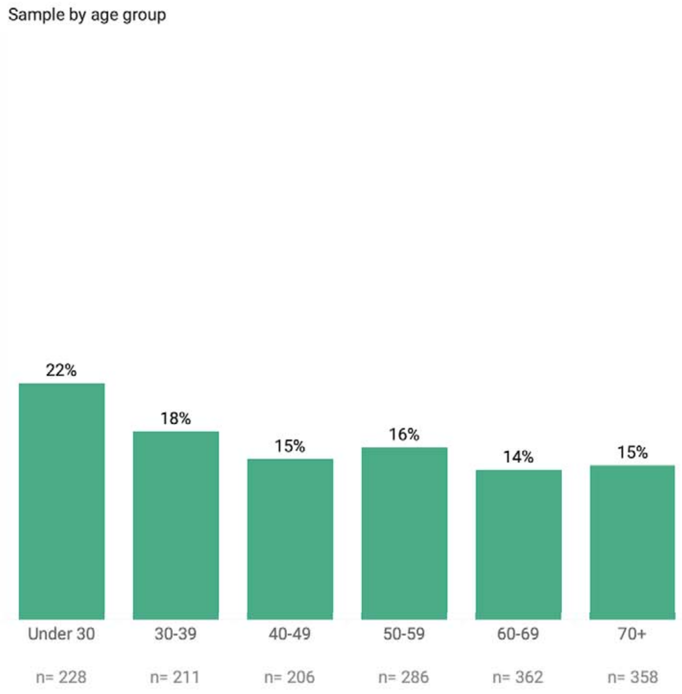
```
$D8_group
          Pr(1)  Pr(2)  Pr(3)  Pr(4)  Pr(5)  Pr(6) Pr(7) Pr(8) Pr(9)
class 1: 0.0000 0.0938 0.1881 0.5906 0.1274  0  0  0  0.0000
class 2: 0.0000 0.0000 0.0000 0.0000 0.0047  0  0  0  0.9953
class 3: 0.0087 0.0000 0.0000 0.0000 0.0000  0  0  0  0.9913
class 4: 0.1507 0.1820 0.0680 0.0000 0.0004  0  0  0  0.5989
class 5: 0.0000 0.0150 0.0200 0.0275 0.9091  0  0  0  0.0284
class 6: 0.0198 0.0665 0.1205 0.6656 0.0200  0  0  0  0.1076
class 7: 0.0000 0.0000 0.1455 0.6990 0.1118  0  0  0  0.0437
class 8: 0.1201 0.1932 0.0946 0.0336 0.0000  0  0  0  0.5585

$A7_1
          Pr(1)  Pr(2)  Pr(3)  Pr(4)
class 1: 0.0160 0.8583 0.1063 0.0194
class 2: 0.1062 0.8466 0.0261 0.0211
class 3: 0.0212 0.0000 0.2061 0.7728
class 4: 0.0000 0.9927 0.0000 0.0073
class 5: 0.1538 0.5819 0.0813 0.1830
class 6: 0.4734 0.3704 0.1066 0.0496
class 7: 0.3452 0.0000 0.2888 0.3660
class 8: 0.4874 0.1585 0.2026 0.1514

$A7_2
          Pr(1)  Pr(2)  Pr(3)  Pr(4)
class 1: 0.2869 0.6671 0.0355 0.0105
class 2: 0.1366 0.7888 0.0347 0.0398
class 3: 0.0367 0.0000 0.2124 0.7509
class 4: 0.0879 0.8846 0.0249 0.0026
class 5: 0.1610 0.5837 0.0632 0.1921
class 6: 0.5098 0.3199 0.1429 0.0274
class 7: 0.4425 0.1249 0.2057 0.2269
class 8: 0.3919 0.2606 0.1594 0.1880

$Pur_freq
          Pr(1)  Pr(2)  Pr(3)  Pr(4)  Pr(5)  Pr(6)  Pr(7)  Pr(8)  Pr(9)
class 1: 0.0611 0.0759 0.1865 0.3607 0.3158 0.0000 0.000 0.0000 0.0000
class 2: 0.0000 0.0005 0.0028 0.0017 0.0000 0.3355 0.130 0.2858 0.2437
class 3: 0.0053 0.0042 0.0000 0.0083 0.0089 0.2415 0.078 0.3668 0.2869
class 4: 0.0000 0.0291 0.0325 0.2948 0.6436 0.0000 0.000 0.0000 0.0000
class 5: 0.0716 0.1716 0.1934 0.2270 0.3183 0.0000 0.000 0.0181 0.0000
class 6: 0.1503 0.3028 0.2985 0.2183 0.0202 0.0000 0.000 0.0099 0.0000
class 7: 0.0784 0.1699 0.2745 0.3516 0.1256 0.0000 0.000 0.0000 0.0000
class 8: 0.0057 0.0319 0.1681 0.2644 0.5298 0.0000 0.000 0.0000 0.0000
```

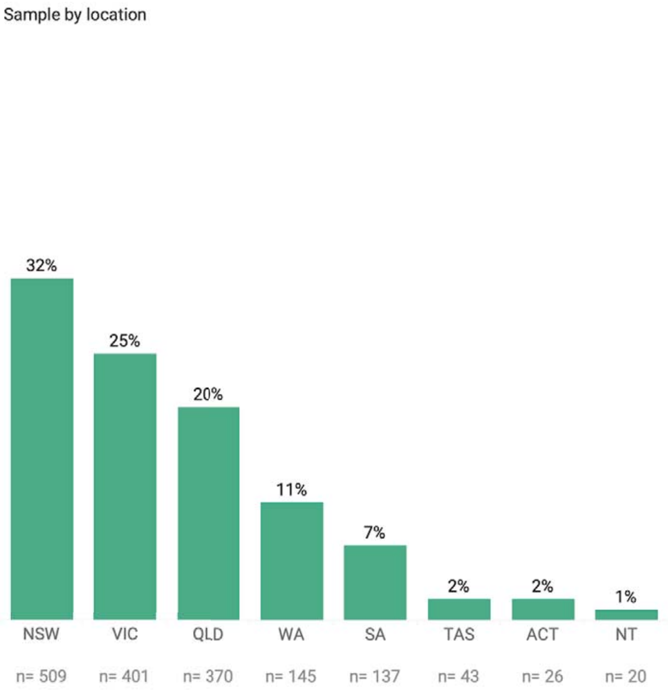
```
$J1_new
          Pr(1)  Pr(2)  Pr(3)  Pr(4)  Pr(5)  Pr(6)
class 1: 0.0000 0.0328 0.2232 0.0984 0.6316 0.0140
class 2: 0.0567 0.2404 0.3062 0.1020 0.2734 0.0213
class 3: 0.0654 0.2589 0.2793 0.0489 0.3214 0.0261
class 4: 0.0296 0.1985 0.3762 0.0647 0.3113 0.0196
class 5: 0.0181 0.1378 0.2684 0.1807 0.3769 0.0181
class 6: 0.0111 0.1241 0.2418 0.0794 0.5437 0.0000
class 7: 0.0000 0.0801 0.3877 0.0926 0.4224 0.0171
class 8: 0.0090 0.3900 0.2118 0.0880 0.2690 0.0322

Estimated class population shares
 0.1921 0.2567 0.0923 0.1158 0.067 0.0611 0.0643 0.1507

Predicted class memberships (by modal posterior prob.)
 0.1938 0.2544 0.0939 0.1169 0.0672 0.0606 0.0666 0.1466

=========================================================
Fit for 8 latent classes:
=========================================================
number of observations: 1651
number of estimated parameters: 351
residual degrees of freedom: 1300
maximum log-likelihood: -13370.66

AIC(8): 27443.32
BIC(8): 29341.93
G^2(8): 5451.625 (Likelihood ratio/deviance statistic)
X^2(8): 100928.5 (Chi-square goodness of fit)
```


TheNavigators

Sample profile

Following data cleaning, a total of 1,651 completed interviews were used in the final sample for the Consumer Usage and Attitude study.



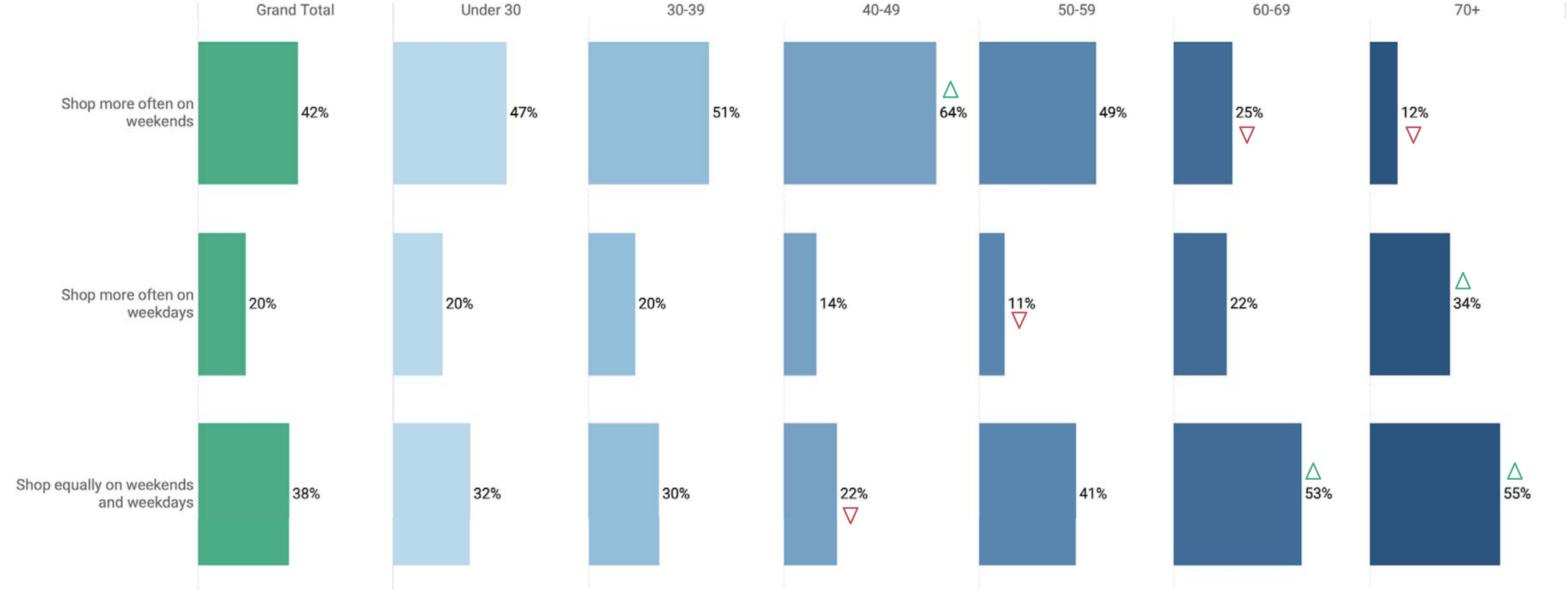


Appendix 2: Additional charts

When do they purchase?

Weekends are more likely to be the days people shop for plants with 80% overall indicating they shop for plants more often on weekends compared to 58% who indicated that they shop more often on weekdays. The pattern differs by age group with people at or close to retirement age, more likely to shop on weekdays than weekends.

Do you tend to shop for plants more on weekends, weekdays or both?



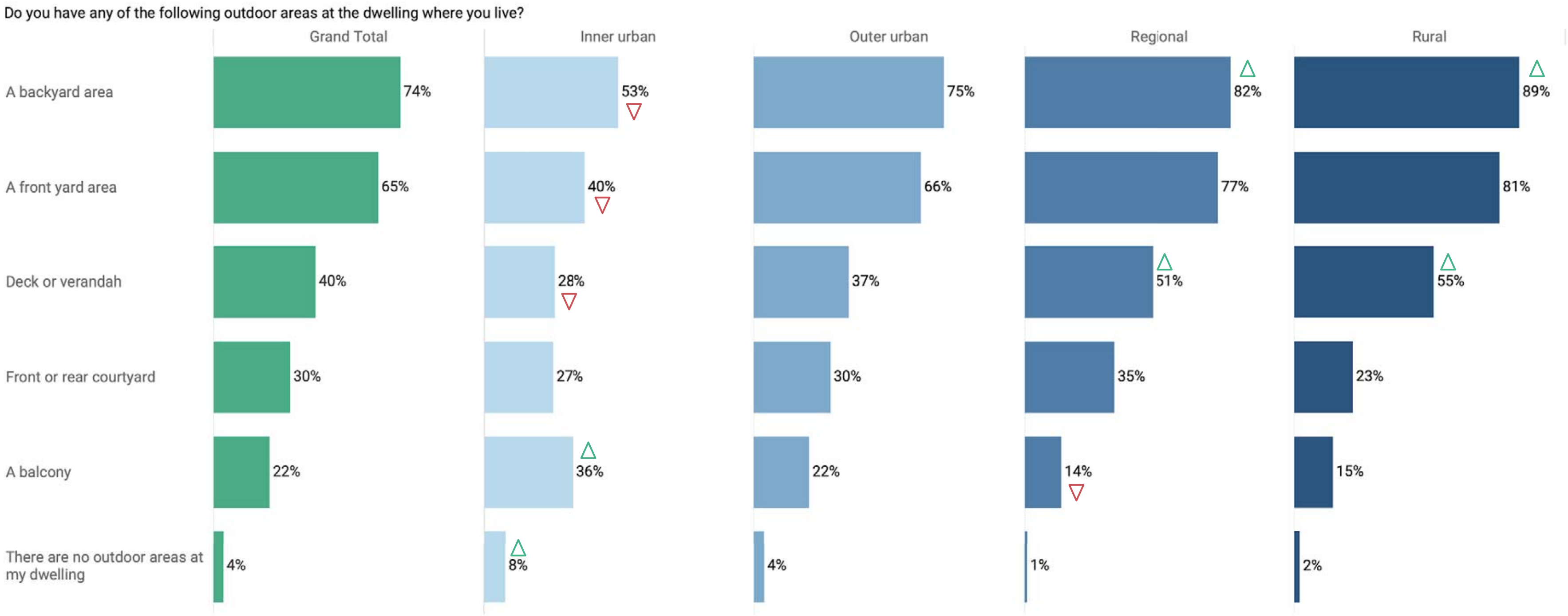
Sample sizes: Purchased plants in last 12 months n=1,078,
Under 30 n=155, 30-39 n=133, 40-49 n=119, 50-59 n=191, 60-69 n=240, 70+ n=240

△ Significantly higher than plant buyer Grand Total α = 0.05

▽ Significantly lower than plant buyer Grand Total α = 0.05

What outdoor areas do Australians have access to?

Access to all types of outdoor areas other than balconies is significantly lower for people living in inner urban areas (within 15km of a capital city CBD). Those living in regional and rural areas have much greater access to both front and backyard areas.



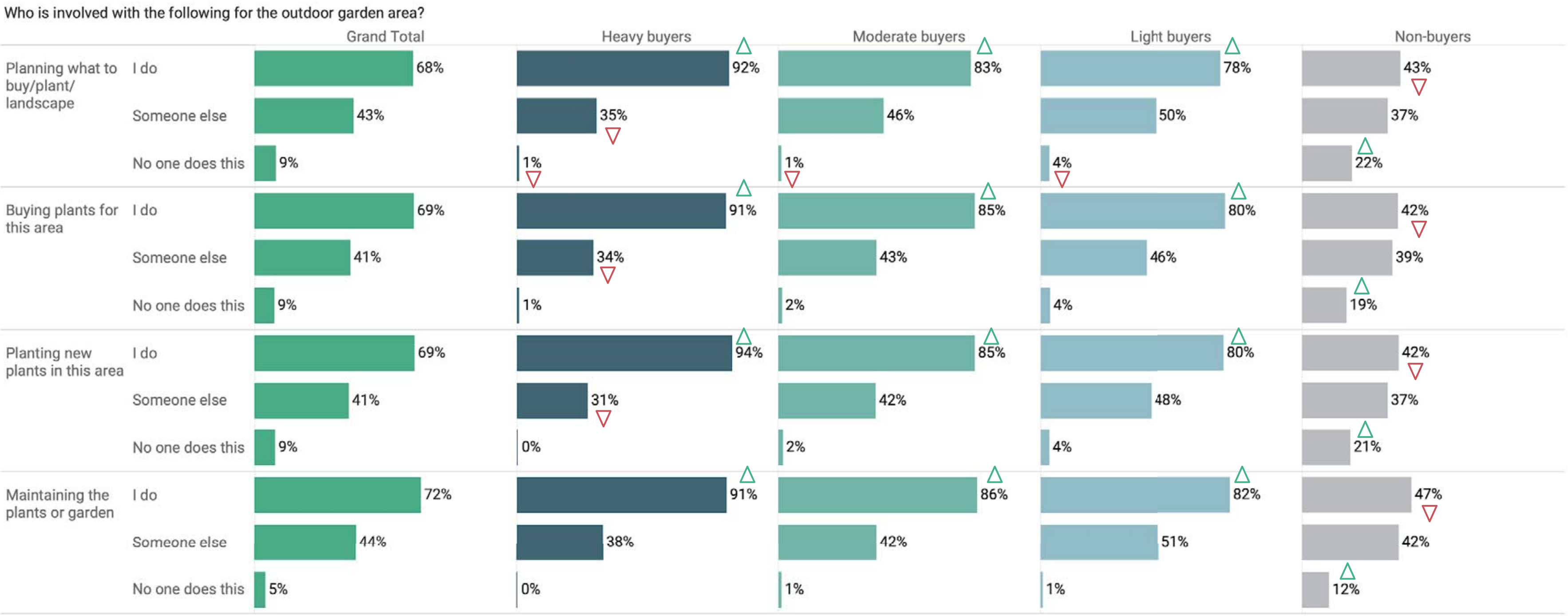
Note: House/terrace/townhouse with a small yard/courtyard had <100 sqm of outdoor space
Sample sizes: Grand Total n=1,651, Inner urban n=316, Outer urban n=718, Regional n=442, Rural n=175

△ Significantly higher than Grand Total α = 0.05
▽ Significantly lower than Grand Total α = 0.05

TheNavigators

Who is involved in what activity for the outdoor garden?

While most people have direct personal involvement in most aspects of buying and owning plants, many also share this responsibility with others. Among those who have purchased plants in the last year, the majority of even light buyers have personal involvement in planning, buying, planting and maintaining plants in their garden.



Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

What types of gardening activities have people undertaken?

Heavy and moderate buyers of plants are also significantly more likely to undertake advanced gardening activities such as making new plants from cuttings or root slips. They are also more likely to share and receive cuttings with other people. Participating in community gardening activities remains very low with only 4% or people overall indicating they had been responsible for an allotment or participated in a community garden.

Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

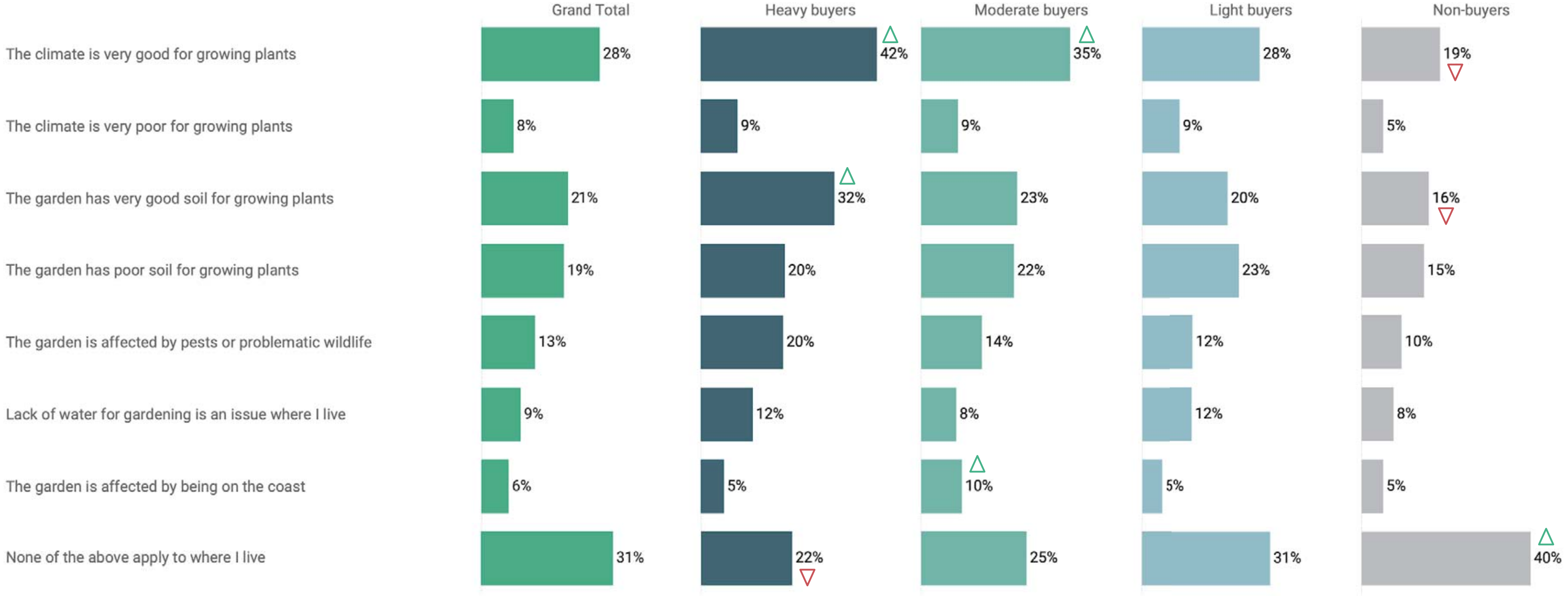
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

Environmental factors that are perceived to apply to the area where people live

Environmental conditions may also act as a constraint on the level of nursery category expenditure. Heavy buyers are significantly more likely to consider their climate and soil to be good for growing plants. Non-buyers are significantly less likely to consider the climate in which they live or the soil to be good for growing plants. One in five heavy buyers describe their garden as being affected by pests or problematic wildlife, more so than those who describe the lack of water as an issue.

Which, if any, apply to the area where you live? (Asked if have some form of outdoor area.)



Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

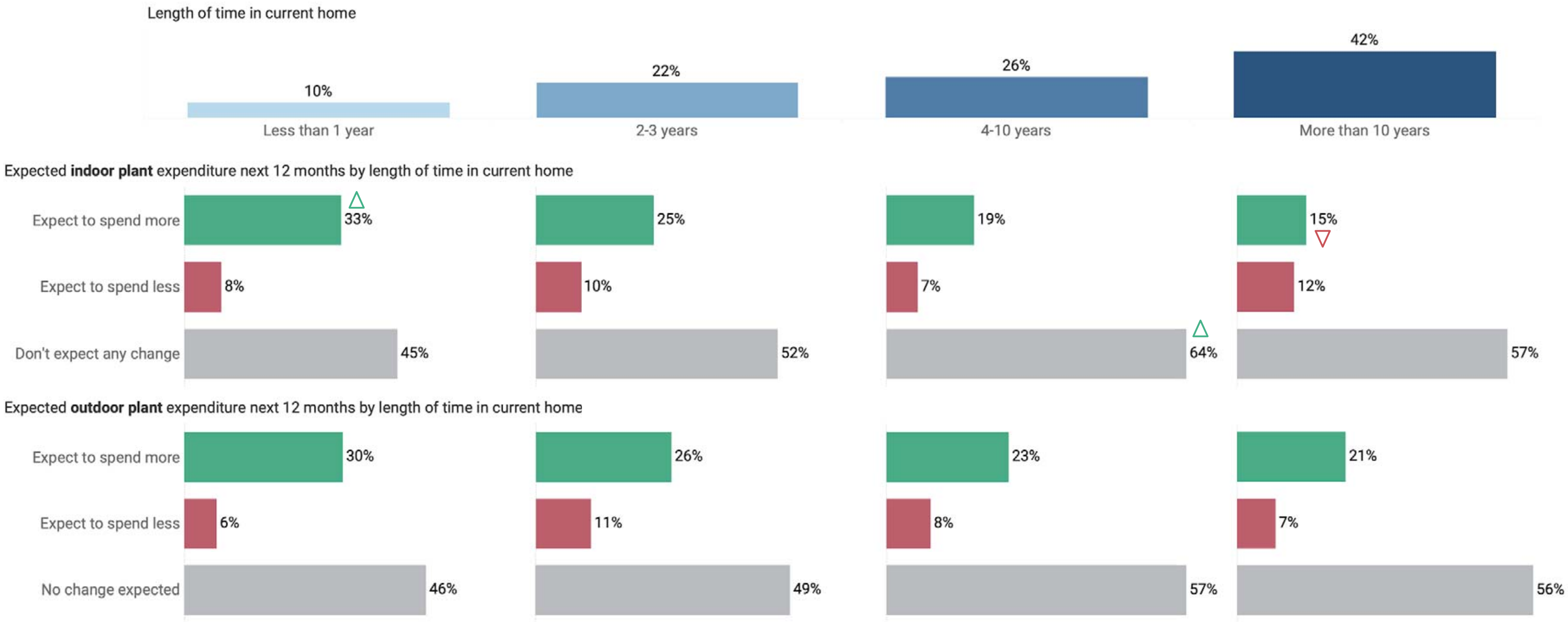
△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

What impact does sense of permanence have on purchase intent?

Those who have been living in their home for less than one year are significantly more likely to expect to increase their spend on indoor plants in the next year compared to the population overall (where 20% expect to spend more). Those who have been in their current home for more than 10 years are significantly less likely to say they expect to spend more on indoor plants in the next year. There is no statistically significant relationship between duration in the current home and expectations regarding expenditure on outdoor plants.



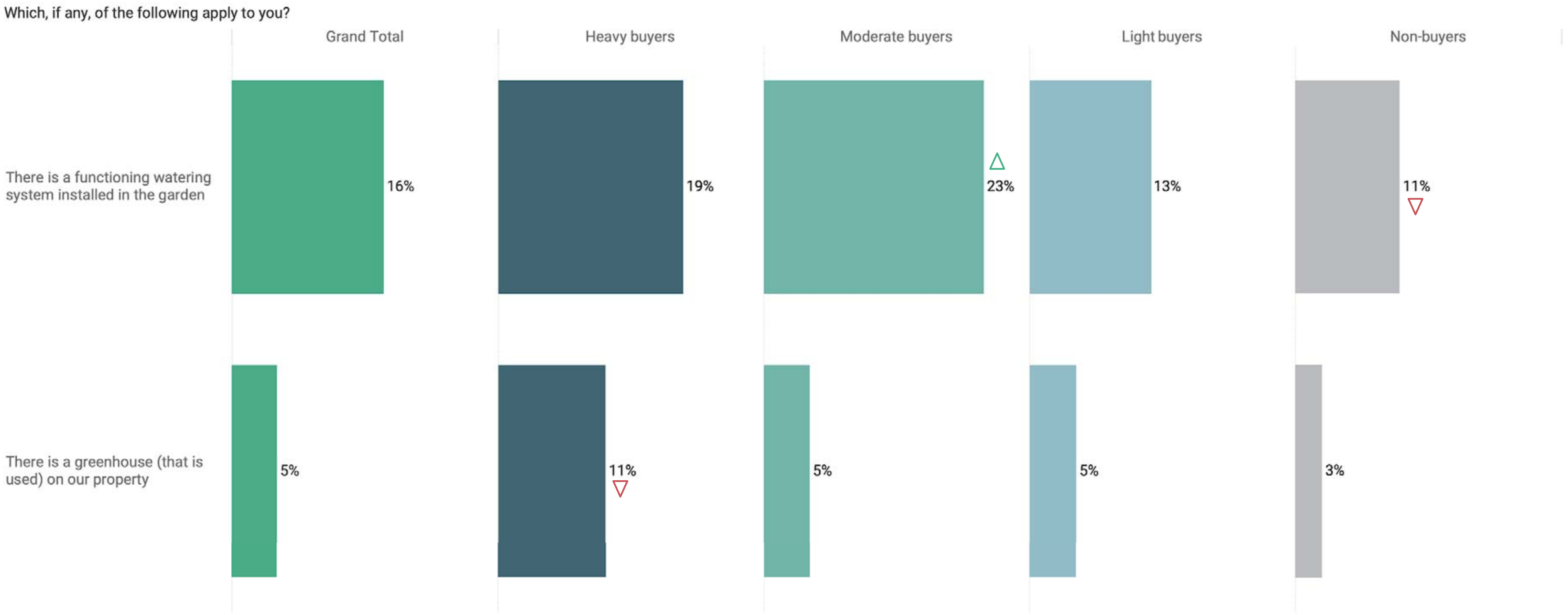
Sample sizes: Grand Total n=1,651, Less than 1 year n=138, 2-3 years n=337, 4-10 years n=408, More than 10 years n=768

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

What gardening infrastructure is in place?

Only a small proportion of people report living in a home with a functioning water system. While moderate buyers are more likely to have a functioning water system, the incidence is less than one in four. Heavy buyers are more likely to report having a greenhouse that is used on their property.



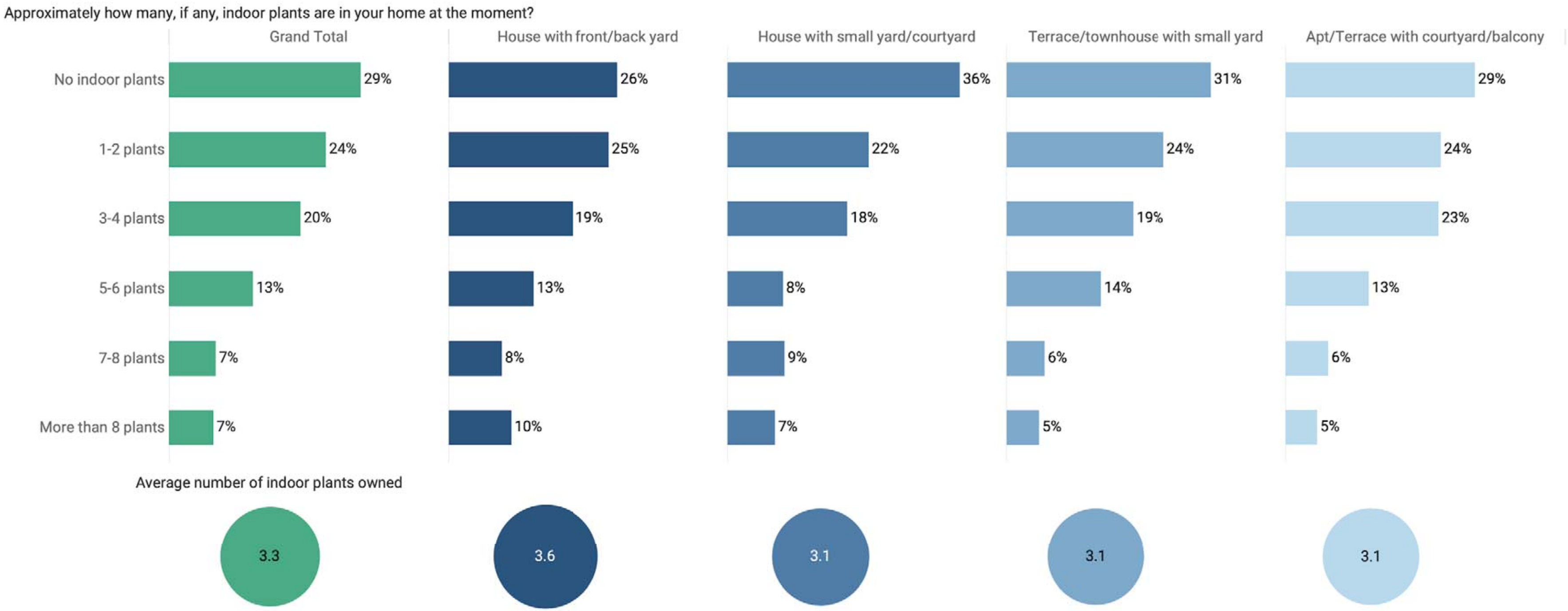
Sample sizes: Grand Total n=1,651, Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

Do people with less outdoor space have more indoor plants?

The amount of available outdoor space has no discernible effect on the number of indoor plants a person currently owns. The average number of indoor plants among people living in high and medium density dwellings (3.1 plants) was not significantly different from the overall average number of indoor plants owned (3.3 plants).



Sample sizes: Grand Total n=1,651, No outdoor space n=45, Apt/Terrace with balcony/courtyard n=323, Terrace/Townhouse with yard n=463, House with small yard n=154, House with front/back yard n=633, Other n=33

△ Significantly higher than Grand Total α = 0.05

▽ Significantly lower than Grand Total α = 0.05

TheNavigators

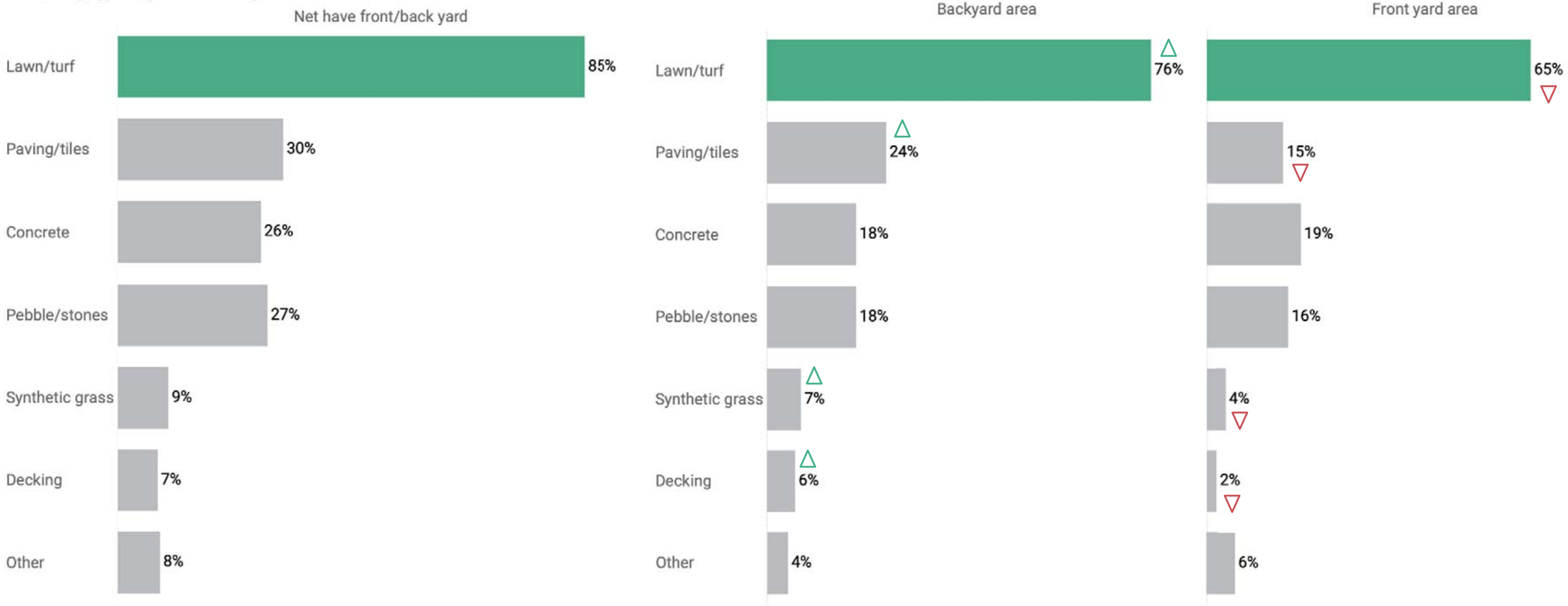
Turf and lawns

The Navigators

Current lawn/turf ground covering in the yard

A total of 79% of adults live in a dwelling with either a front or back yard. Of those with the yard space to allow for lawn or turf, 85% indicate they currently have lawn as a ground cover in either their front or backyard. The use of lawn as a ground covering is significantly higher in backyard areas than front yard areas as is the use of synthetic grass.

Do you have any of the following outdoor areas at the dwelling where you live?
What, if any, type of ground covering is in this area?

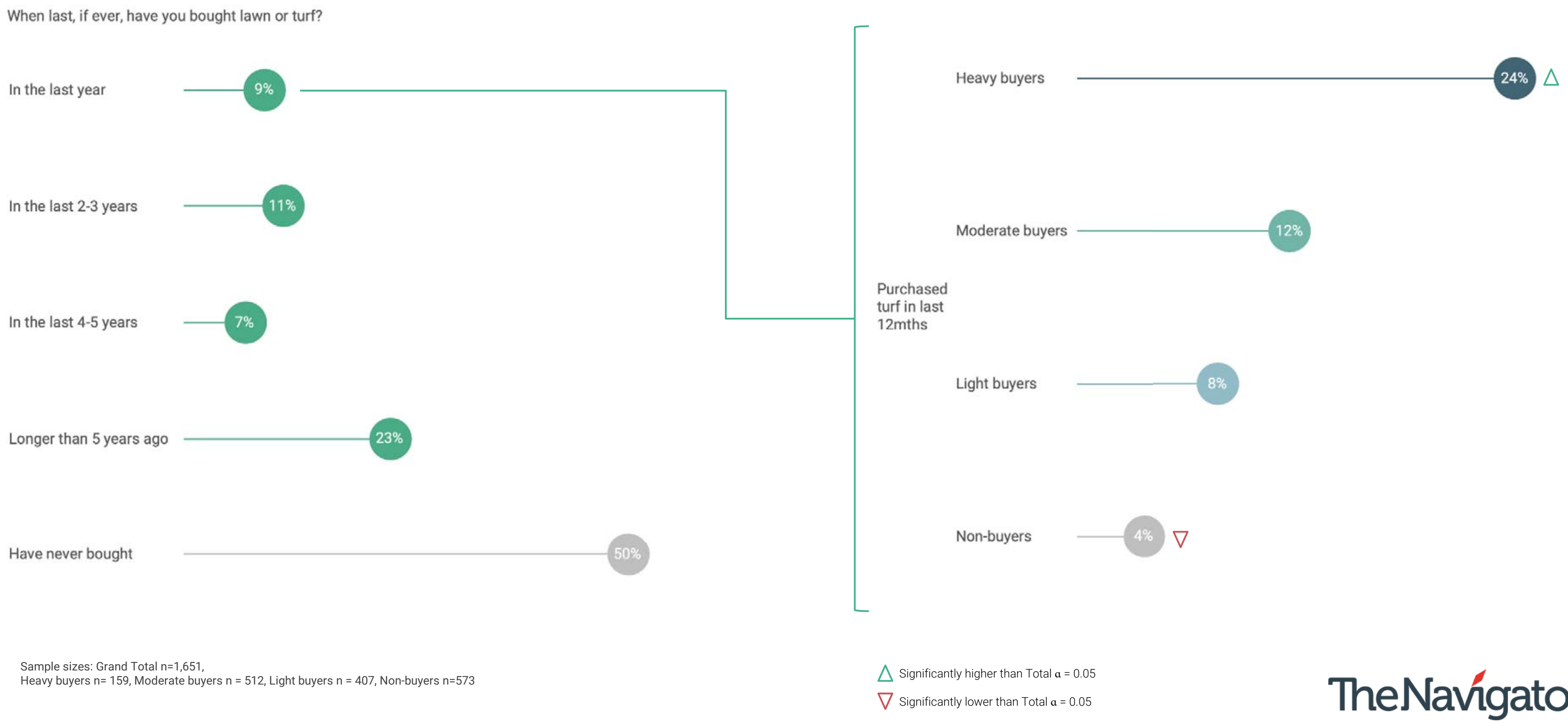


Sample sizes: Net have a front/backyard n=1,331,
Have a backyard n= 1,258, Have a front yard n= 1,137

TheNavigators

Purchase of turf in the last year

An estimated 9% of adults have purchased lawn or turf in the last year. Overall, 50% of people claim to have purchased turf at some point in the past and 27% within the last 5 years. The likelihood of having purchased turf in the last year is significantly higher among those who are heavy buyers of plants. One in four who purchase plants monthly or more often indicated they purchased turf in the last 12 months.

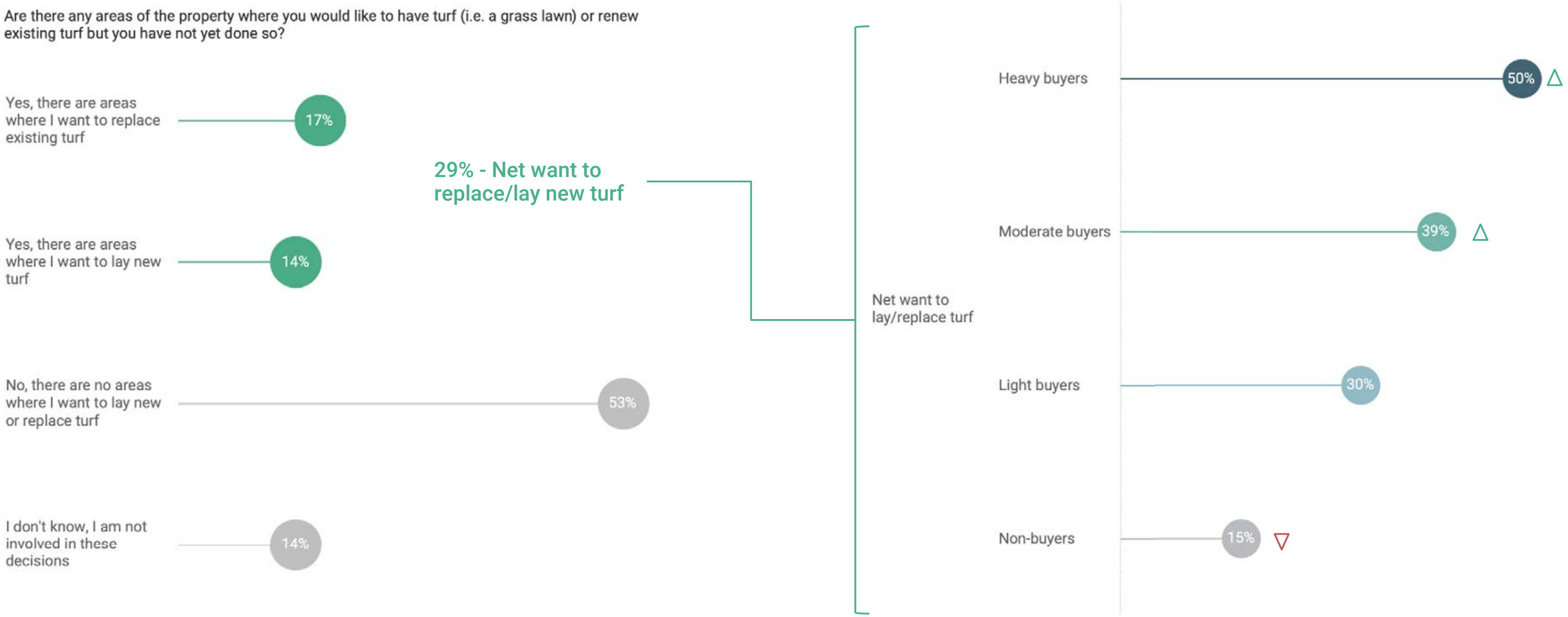


Sample sizes: Grand Total n=1,651,
Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

TheNavigators

Intention to replace or lay new turf

Nearly three in four people wish to replace turf or lay new turf in their gardens. The majority of these people are looking to replace existing turf. The proportion of Heavy buyers of plants who wish to replace or lay new turf is even higher with 50% expressing a desire to do so. Moderate buyers of plants are also significantly more likely than average to intend to replace or lay new turf.



Sample sizes: Grand Total n=1,651,
Heavy buyers n= 159, Moderate buyers n = 512, Light buyers n = 407, Non-buyers n=573

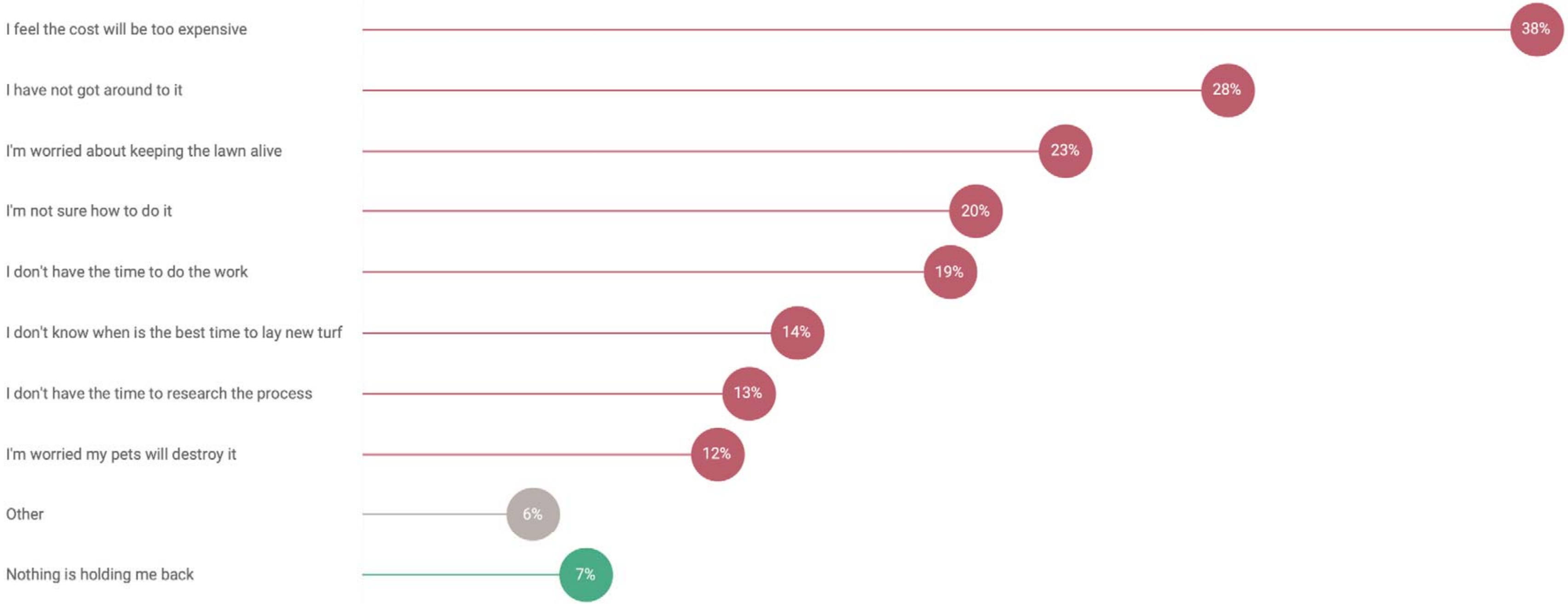
△ Significantly higher than Total α = 0.05
▽ Significantly lower than Total α = 0.05

TheNavigators

Barriers to replace or lay new turf

Of those who plan to replace or lay turf, but have not yet done so, the perceived cost of the turf is the main barrier holding people back from acting. While some simply have not gotten around to it, there are a considerable proportion who are concerned about their ability to keep lawn alive or do not feel they have the knowledge or time to go through the process of buying and/or laying the new turf.

If you'd like to lay new turf but have not done so yet, what is holding you back?



Sample sizes: Plan to replace/lay turf n=442

TheNavigators

Key takeaways about consumer involvement with turf and lawns

Growing and maintaining lawns is widespread among those with outdoor yard areas

Nearly 8 in 10 people live in a home with some form of outdoor yard area, either a front yard, back yard or both.

Among these people the vast majority (85%) current have lawn as a form of ground cover.

Purchasing lawns and turf is infrequent despite a significant latent demand

While less than 1 in 10 people report having purchased lawn or turf in the last year, nearly 3 in 10 wish to purchase turf to replace existing lawn or to lay down lawn in a new area. This latent demand is particularly high among heavy plant buyers with 50% of them wishing to replace or lay down new lawn, but have yet to do so.

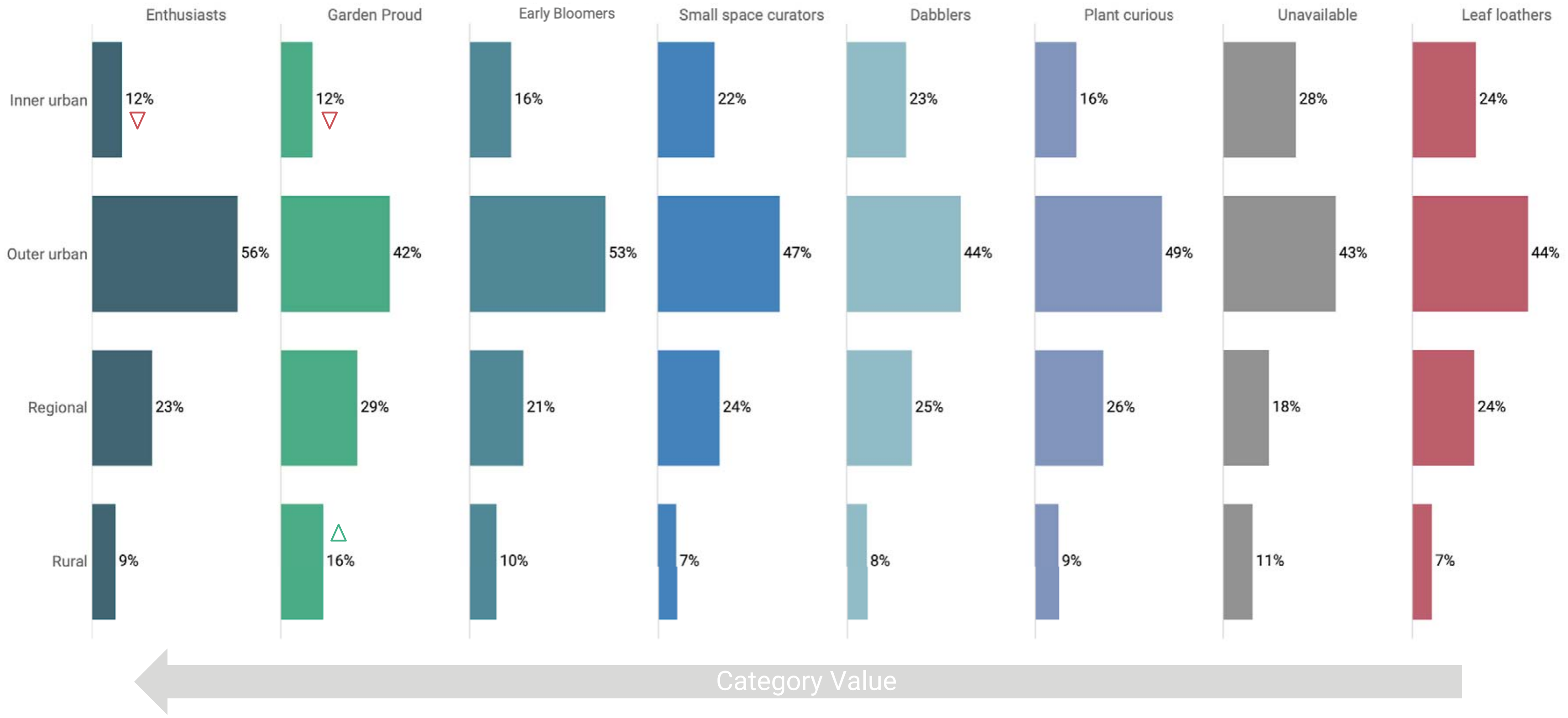
Cost and inertia are the main barriers to turf buying

Among those wishing to replace or lay down new lawn, the most prominent reported reason for not having done so was the perceived cost of buying turf. This was followed by people reporting that they just hadn't gotten around to it.

There is significant potential to unlock this high level of latent demand by providing affordable and cost effective ways of accessing turf products and by making it as easy as possible for people to by and install new turf. Marketing and communications support through advertising and promotion will also help some overcome the inertia which is limiting their purchase of turf products.

Nursery market segments by area or residence

Enthusiasts and Garden Proud are less likely to live in inner urban areas (approximately 15 km from a CBD). Garden Proud are the most likely to live outside of major cities with 45% living in a regional centre or rural area.



Sample sizes: Total n=1,651,
Enthusiasts n= 96, Garden Proud n = 327, Early Bloomers n = 110, Small Space Curators n=245, Dabblers n= 280,
Plant Curious n= 117, Unavailable n= 123, Leaf Loathers n= 353

△ Significantly higher than Total α = 0.05

▽ Significantly lower than Total α = 0.05