

NURSERY PAPERS

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How the marketing levy works for you

INTRODUCTION

The nursery industry's marketing levy powers a program that benefits your business – and the whole sector – by boosting demand for greenlife products.

One key aspect of this program is to highlight the importance of green spaces.

Current marketing levy successes are building awareness and appreciation of greening among consumers, businesses and the government. Examples include the *Nursery Consumer Usage and Attitudes – Key Findings* report, *Greener Spaces, Better Places* and *School of Thumb* videos.

SUMMARY

- Projects funded through the nursery marketing levy provide you with tools, resources and insights to bolster your marketing strategy. A great strategy generates more sales for your business – and ultimately grows the nursery sector.
- Recent research from Hort Innovation shows that when consumers feel knowledgeable and confident about plant care, they are more likely to buy plants.
- You can use the levy-funded marketing program's tools, resources and insights to advocate for green spaces.

ABOUT THE REPORT

Two percent of the nursery levy goes into funding marketing programs (\$825,494 in the 2021-22 financial year*). These programs aim to increase consumer demand for greenlife.

The *Nursery Consumer Usage and Attitudes – Key Findings* report, funded by Hort Innovation, highlights a crucial connection between consumers' knowledge of plant care and their willingness to purchase.

The research conducted by Fiftyfive5, part of Accenture Song surveyed 1,000 Australians who are the key household decision makers when purchasing plants.

Based on the results, improving your customers' knowledge of plants, and giving them the confidence to care for their plant purchases, may increase your sales.

Is it worth applying this insight to your marketing strategy?

* Hort Innovation 2021-22 Annual Report





Findings from the report show that:



The cost-of-living crisis has influenced purchasing behaviours, with survey participants reporting that they are buying plants less often. This is a shift away from the demand increase we saw during COVID-19



Barriers to plant purchasing are high - including the cost of plants, not having time to adequately care for plants and a lack of knowledge around plant care



There is a clear link between confidence in maintaining plants and plant purchasing.

So, the research tells us that it's more important than ever to build customer knowledge and confidence in how to look after plants.

Does this give you new ideas for encouraging people to purchase plants?

KEY FINDINGS

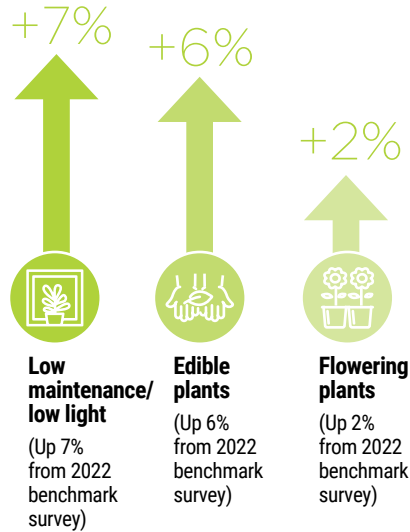
What the research says people are buying

Despite cost-of-living pressures, half of all Australians buy at least two plants a year.

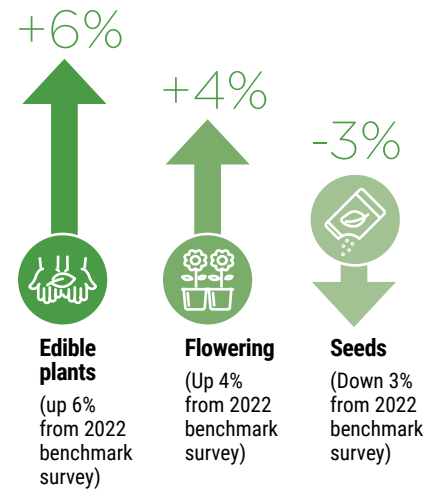
Lifestyle and living situations impact the types of plants they buy - but income is not a factor. Anyone who wants plants in their home can access them.

The types of plants consumers prefer have shifted for both indoor and outdoor varieties.

INDOOR



OUTDOOR PLANTS



What this means for you

The report discovered that just under half of Australians buy one of three main types of plants.

Indoor was the only segment that reported a decline (2%).



What does the current cost of living mean for plant purchases?

The report also showed that plants are accessible across income levels, with the following demographics more likely to purchase certain plants.

Profiles of those who purchase plants every six months or more:

INDOOR PLANTS	OUTDOOR POTTED PLANTS	OUTDOOR GROUND COVER
<p>Young SINKs (Young Single Income, No Kids) and DINKs (Dual Income, No Kids)</p> <p>Those aged 18 to 34</p> <p>Apartment dwellers and those who have a patio/balcony instead of a yard</p>	<p>A greater range of age groups - both younger (18-34) and older (55+)</p> <p>Apartment dwellers and those with a patio/balcony instead of a yard (but these consumers prefer indoor plants)</p>	<p>Empty nesters and older age groups (55+), and retirees</p> <p>Those in a freestanding/detached home, and those with both a front and backyard</p>



Levy-funded marketing projects improving customer knowledge

In response to purchasing barriers, Hort Innovation funds a suite of resources to educate consumers. Education is key to boosting the sector.

- The Greener Spaces, Better Places program aims to ensure green space remains central to government planning decisions.

It focuses on sharing research and insights that showcase the positive impact green space has on our communities – for example, by reducing the urban heat island effect, improving air quality, managing stormwater and reducing atmospheric carbon levels – not to mention improving mental health and wellbeing.

- Greener Spaces, Better Places has also developed a consumer-facing campaign called *School of Thumb*. The campaign has created a suite of online horticultural video episodes designed to help Australians take the guesswork out of gardening.

While marketing and YouTube videos may seem a world away from the daily work of producing greenlife in your nursery, they are inherently linked to your work. The resources these programs are developing influence consumers – educating them about the importance of greenlife, teaching them how to use and care for greenlife and, ultimately, encouraging them to buy greenlife.

You can use these levy-funded resources to boost your business. Check them out and you'll quickly see how they might fit into your business' marketing activities.

This is a great example of how the nursery levy is working for you.

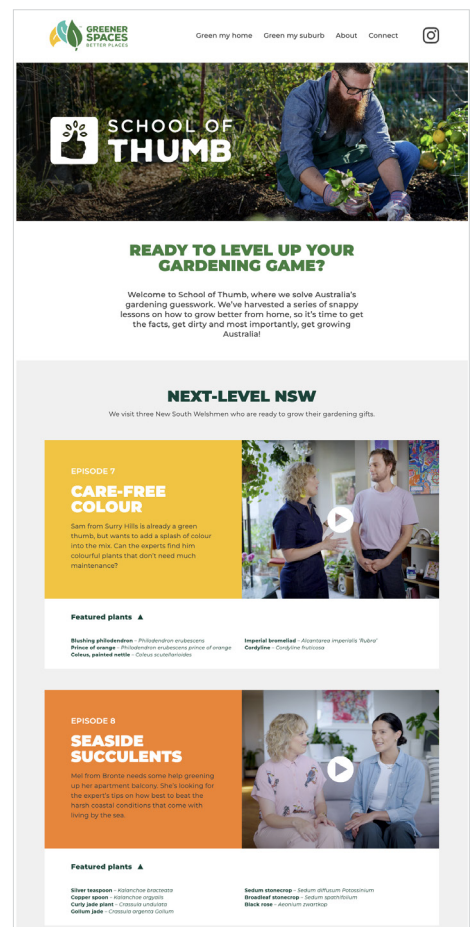


Greener Spaces Better Places

Greener Spaces Better Places is the new version of the 2020 Vision initiative and consumer-facing Plant Life Balance, increasing demand for green space by generating interest in plants through commissioning and publishing research, developing how-to guides, social media, consumer campaigns, and conducting events with key green space practitioners around Australia.

Since 2013, the program has produced 10 guides for industry, to engage you and government decision makers, positively influencing green space planning decisions.

When decision makers understand how important green spaces are, they're more likely to build and preserve them. When customers feel inspired, skilled-up and connected to the horticulture industry, they're more likely to get growing. This means they buy more greenlife – and the sector flourishes.



School of Thumb

An example of a levy-funded marketing campaign is the *School of Thumb* video series, equipping the public with basic gardening skills and knowledge, so everyone can contribute to building green spaces across Australia.

This suite of videos was developed to take the guesswork out of gardening for regular Australians. (Remember, when people are confident, they buy more plants.)



CASE STUDY:

Morgan Park Garden Centre

Morgan Park Garden Centre, in picturesque Victor Harbor, South Australia, is a family-owned and award-winning independent garden centre.

Chris Simon, Morgan Park Garden Centre's Manager and Co-owner, believes COVID era lockdowns sparked a surge in consumer interest in plant life, and increased plant purchases, particularly among a younger demographic, which has continued post COVID-19.

"While indoor plants were initially popular, there has been a recent shift towards edible plants – many customers are creating vegetable patches.

The *Consumer usage and attitude tracking 2022/2023 (MT21202)* report shows that knowledge and confidence in maintaining plants drive consumer purchasing behaviour.

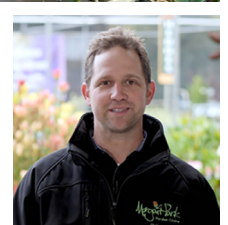
Barriers to purchasing plants include 'not having time to nurture plants' and 'plants always seeming to die,' as well as cost and a lack of indoor and outdoor space.

"In gardening, the more you know, the more willing you are to spend money on your garden," Chris said.

"Beginners often start with cheaper plants, but as they learn more, they realise that investing more can make their gardening experience better.



ABOVE: Morgan Park Garden Centre
INSET: Chris Simon, Garden Centre Manager and Co-owner of Morgan Park Garden Centre



"We have found building good relationships with customers and encouraging them to ask questions is crucial.

"Getting good advice in gardening is really important. When customers feel comfortable asking questions, it helps them have successful gardens. It's nice to see people with small gardens coming back to show us their success.

"We believe we've reached the bottom of the economic dip and things are starting to look up," Chris said.

As a business, Morgan Park Garden Centre has always adapted to trends, such as the increased demand for more exotic herbs

and vegetables such as apple mint after MasterChef gained popularity in the early 2010s.

"We will always evolve to meet changing customer preferences. Gardening is like anything else, with trends and fashion driving customers' purchases," Chris said.

By focusing their efforts on delivering research-based, impactful information to customers, Morgan Park Garden Centre is ensuring their financial bottom line.

The *Nursery Consumer Usage and Attitudes – Key Findings* report, funded by Hort Innovation, using Nursery research and development levy and contributions from the Australian Government.

MORE INFORMATION

Greener Places Better Spaces: <https://www.greenerspacesbetterplaces.com.au/>

School of Thumb: <https://home.greenerspacesbetterplaces.com.au/school-of-thumb/>

Consumer usage and attitude tracking 2022/23 report: www.greenlifeindustry.com.au/consumerreport

Past Nursery Papers: <https://www.greenlifeindustry.com.au/communications-centre>