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WHITEPAPER

2019

Poinsettia
STATE OF THE
INDUSTRY



***Greenhouse Grower's* 2018 State of the Poinsettia Industry Survey Results**

Key Findings: Sales and Production Flat to Down

Growers expressed mixed views in *Greenhouse Grower's* 2018 State of the Industry Poinsettia Survey about how the 2018 poinsettia season wrapped up. Some reported outstanding sales, while others hoped for stronger sales. A few respondents used terms such as flat, same-old same-old, sloppy, and dismal, but overall growers mainly said the season was average to good. One grower summarized the majority of the group's sentiments succinctly.

"In our area, the chains rule, and they set the customers' mentalities as to pricing. A sign I saw in one of the florist shops sums it all up: If you want a cheap poinsettia plant, Walmart is down the street."

A total of 98 growers took *Greenhouse Grower's* 2018 Poinsettia Survey. This group consisted of wholesale growers (54%) and grower-retailers (46%). The largest portion of this group (33%) resides in the Midwest, with the next largest region being the Northeast (26%), followed by Southeast (18%), West (10%), Northwest (3%), and 7% outside of the U.S.

The largest group of respondents (34%) were growers with less than 50,000 square feet of greenhouse space, followed by growers with 50,000 to 100,000 square feet (26%), 100,000 to 250,000 square feet (13%), 250,000 to 500,000 (8%), and 500,000 to more than 1 million (18%).

Sixty-two percent of those who filled out the survey hold management positions (President, Vice President, Owner, General Manager) and 27% are in Production (Manager, Grower, Assistant, Director, and Supervisor).

General Information

Did you grow poinsettias for the 2018 season?

Yes	88%
No	12%

What other holiday crops did you grow in 2018?

Cyclamen	61%
Amaryllis	30%
Paperwhites	28%
Norfolk Island Pine	7%
Other table top trees	4%
Other	39%

Which of the following customers do you serve? (respondents asked to check all that apply.)

Consumers (through your own garden center/shop)	49%
Fundraisers	46%
Independent Garden Centers	39%
Other Growers	27%
Supermarket (Wegman's, Giant Eagle, local chains, etc.)	23%
Interiorscapers	20%
Wholesale Brokers/Distributors	18%
Events	16%
Landscape Contractors	16%
Mass Merchandisers (Walmart, Target, Meijer, Menard's, local chains, etc.)	14%
Home Improvement Chains (The Home Depot, Lowe's, True Value, etc.)	13%
Warehouse Clubs (Sam's Club, Costco, etc.)	10%
E-Commerce Sites	3%
Other	29%

Production Information

How did your poinsettia production in 2018 compare to your poinsettia production in 2017?

The number of units we produced was up more than 10%	15%
The number of units we produced was up between 5% and 10%	16%
The number of units we produced was up less than 5%	17%
The number of units we produced was about the same as last year	29%
The number of units we produced was down less than 5%	12%
The number of units we produced was down between 5% and 10%	6%
The number of units we produced was down more than 10%	5%

How did your poinsettia sales track in 2018, compared to your poinsettia sales in 2017?

Sales were up more than 10%	14%
Sales were up between 5% and 10%	19%
Sales were up less than 5%	19%
Sales were flat year over year	23%
Sales were down less than 5%	16%
Sales were down between 5% and 10%	4%
Sales were down more than 10%	6%

How has your production of novelty poinsettias changed in the last two years?

Increased 10% or more	13%
Increased less than 10%	10%
Stayed the same	54%
Decreased less than 10%	18%
Decreased 10% or more	6%

What percentage of the poinsettias you produced in 2018 did you wind up dumping?

We didn't dump a single poinsettia	11%
Less than 5%	58%
Between 5 and 10%	19%
Between 10 and 20%	6%
More than 20%	6%

Are you growing poinsettias simply to cover your operation's overhead costs for the season, or to increase your operation's profit margin?

To cover our overhead costs	40%
To increase our operation's profit margin	60%

Sales Information

What poinsettia color was your best seller at retail in 2018?

Red	96%
Novelty	3%
Pink	1%
White	0%
Marble	0%
Other	0%

What poinsettia size was your top seller at retail in 2018?

4.5-inch	4%
6-inch	26%
6.5-inch	49%
8-inch	12%
10-inch	4%
Larger than 10-inch	1%
Other	3%

What were your best sellers, most profitable varieties, and biggest disappointments?

Black Friday Bestsellers

1. 'Prestige Red'
2. 'Christmas Day Red'
3. 'Ice Punch'

Fastest-Selling Varieties Overall

1. 'Prestige Red'
- 2t. 'Christmas Eve'
- 2t. 'Princettia White'

Most Disappointing

- 1t. 'Cortez Burgundy'
- 1t. 'Prestige Red'
3. Marble types

Best-Selling Red Variety

1. 'Prestige'
2. 'Christmas Day'
3. 'Christmas Beauty'

Most Profitable Red Variety

1. 'Prestige'
- 2t. 'Christmas Day'
- 2t. 'Christmas Cheer'

Best-Selling White Variety

1. 'Whitestar'
2. 'Polar Bear'
3. 'Snowcap'

Most Profitable White Variety

1. 'Whitestar'
2. 'Polar Bear'
3. 'Premium Polar White'

Best-Selling Pink Variety

1. 'Enduring Pink'
2. 'Christmas Beauty Pink'
3. 'Maren'

Most Profitable Pink Variety

- 1t. 'Enduring Pink'
- 1t. 'Maren'
3. 'Christmas Beauty Pink'

Best-Selling Marble Variety

1. 'Marblestar'
2. 'Peterstar Marble'
3. 'Marbella'

Most Profitable Marble Variety

1. 'Marblestar'
2. 'Christmas Beauty Marble'
3. 'Marbella'

Best-Selling Novelty Variety

1. 'Red Glitter'
2. 'Winter Rose Early Red'
3. 'Ice Punch'

Most Profitable Novelty Variety

1. 'Red Glitter'
2. 'Winter Rose Early Red'
3. 'Ice Punch'

If you split the poinsettia season into three portions (early, mid and late), how many different varieties of reds do you produce?

3 or fewer	57%
4 to 6	26%
7 to 9	12%
10 or more	5%

New Products

Did you try anything new this year to appeal to younger consumer demographics?

- “Added new varieties”
- “Tweaked existing lines”
- “Tricolor 8-inch pots”
- “More ‘Princettias,’ including combos”
- “Left ‘Jester’ unpinched and sprayed with Florel and Fascination on sides to look like a little Christmas tree”
- “Mixed color bowls with foliage and Poinsettias”
- “Added 7.5-inch ,9.5-inch, 12-inch, and 14-inch combo pots”
- “We set up a holiday light display inside and outside of the greenhouse to encourage families to come and see our greenhouse and holiday flowers, even if they didn’t purchase anything. The results were so-so, as many people commented that they enjoyed seeing photos of the lights on social media, but only a handful of actual visitors came.”
- “Went back to 5-bloom straight ups that we were asked for by younger consumers as memories of what their parents used to have. Also added 4.5-inch mixed colors together in baskets.”
- “We had succulents and cactus for sale.”

(Note: Half of respondents said “no” to this question)

What new poinsettia products did you try selling this year? (i.e. poinsettia combos, mixed containers with greens, painted poinsettias, glitter poinsettias, poinsettias in special pots, etc.)?

- "Special coal bucket metal planter 14-inch bombed. Intended for commercial work, and it was a dreg this season.”
- “Best-selling upscale item was a peach basket 3 - 6.5-inch points and filled with greens. Florist and commercial work.”
- “Poinsettias in wicker with mixed greens, cones, etc.”
- “Multi-colored combo pots, a lot of talk and interest but no great sales.”
- “Poinsettias in color bowls and added pine cones.”
- “Our designer poinsettias seem to grow in popularity.”
- “‘Princettia White’ was very popular and consumers were willing to pay extra for the bright white color. We continue to do more foliage bowls with a poinsettia in the middle so newer consumers can repurpose them after the holidays. This SKU as well as red/white combinations in various sizes were very popular.”
- “Novelty containers: rocks with goofy eyes and faces.”

What new poinsettia products will you try selling for the 2019 season (i.e. poinsettia combos, mixed containers with greens, painted poinsettias, glitter poinsettias, poinsettias in special pots, etc.)?

- “Trend is clearly more combo planters, less plain poinsettias”
- “Drop special pots, expand 3-gallon pots, probably drop pinks”
- “Perhaps self-watering pots”
- “Red/white combo in 10-inch pots”
- “More smaller pots dressed for small tables and then more 7-inch and 8-inch pots with nice wrap and bow to be in the \$35 to \$50 range, but still a great value compared to florist prices.”
- “More of the color bowls with poinsettias and tropical foliage plants.”
- “We will be using dyes vs. paints next season”
- “Red 4-inch straight up; tree like”
- “Possibly poinsettias with greens”
- “Poinsettia with green or best with aromi like salvia, rosemary, or maggiorana lemon”
- “We will likely do the tricolor combos again, only this time we will use a more traditional poinsettia variety, such as ‘Prestige’ or ‘Freedom,’ and offer a combination of red, white, and a novelty: either ‘Ice Punch’ or ‘Jingle Bells’ for a more traditional red and white look.”
- “More straight ups. Customers loved them and don’t see them at big boxes and supermarkets”
- “More of the items that sold out first this year or sold better than other items this year: foliage bowls, red/white mixed combinations, and ‘Princettia White’”
- “2-inch pots”
- Note: None or undecided was most frequent response

What kind of trend and marketing information would you like to see from the industry - breeders, growers, retailers - to reinvigorate the poinsettia market?

- “Better smaller varieties; small 2- to 3-inch and 4-inch were the most requested”
- “Bringing back older varieties: ‘Plum Pudding,’ ‘Candy Cane,’ etc.”
- “Ideas on media for using poinsettias as party gifts, fundraiser ideas for local groups, contact your local gardens center.”
- “Poinsettias are Pet Friendly!!” I hear from many people about not buying poinsettias because it can poison their cat (which is not true, of course)”
- “Educate the public that poinsettias are a tropical plant.”
- “Need more novelty poinsettias.”
- “Not sure anything can be done to reverse the cheapening of the poinsettia by the mass merchants. The once venerated poinsettia is now a loss leader for mass merchants. Have you seen the movie on Lifestyle channel “Poinsettias for Christmas”? It was corny and unreal. Fake plants and conditions not suitable for a poinsettia.”
- “More advertising of tried and true varieties like ‘Freedom’ and ‘Prestige’”
- “The industry did a good job responding to the toxicity concerns in previous seasons. More resources on how to properly care for poinsettias would be helpful to share on social media for our customers. There is a lot of information out there about needing to stick poinsettias in a closet to get them to color up, etc. which aren’t true or ideal for the plant. Good information on caring for/ keeping poinsettias as a year-round houseplant would help promote it as more than a holiday item and increase sales.”

- “Explain to the consumer why box store poinsettias never last long in the house and that cheap prices means poor quality plants.”
- “Quit catering to the box store Black Friday mentality. They are killing the market. You get an inferior product that is grown as cheaply as possible because of the price point.”

How would you like to see the retail market for poinsettias change? What would be the ideal scenario for selling poinsettias?

- “Due to some issues, poinsettias were not as abundant early, and that created marketing opportunities for our fundraiser and floral customers. To think this will happen next year is a pipe dream.”
- “More marketing to inform consumers that they are not poisonous. I have been beating that drum for 28 years now, and still, there are people that think they are. Even veterinarians are making social posts about them being poisonous! I can't keep fighting this, seemingly, on my own.”
- “Market poinsettias as a great house plant for after Christmas.”
- “I would love to see the painting fad end.”
- “People need to know that they are not poisonous and hard to care for. At retail, there need to be fewer trashy looking ones. People may have more desire to have them in their homes.”
- “Our business is in the Northeast, and our region is very diverse both ethnically and religiously. More customers are buying poinsettias to decorate their homes or offices for the holidays, as opposed to buying them just for Christmas gifts. It would be nice for more retailers to market poinsettias for the holiday season, as opposed to just one holiday, especially in a diverse region like the Northeast.”
- “The biggest current problem is the Big Boxes. Plants are displayed by cold front doors, not cared for, not protected from cold properly and sold cheaply. The consumer takes home a cheap plant that dies and they think poinsettias are a poor value. It has changed the poinsettia from a prestigious gift (where a profit can be made) to a product where the consumer doesn't see value. Continue down this path and the poinsettia market will die.”
- “Retailers need to be comfortable selling later in the cycle. Consumer buying habits keep going later and later on poinsettias, and we need to adapt our ship and merchandising strategies to this new behavior.”
- “I'd like to see big retailers (supermarkets, home improvement chains) stop using poinsettias as loss leaders for Black Friday.”

Pricing and Takeaways

What drives the prices you receive for poinsettias?

Retailers set the price they pay me for poinsettias	11%
I set prices based on competition	36%
I set prices based on cost	55%
Other	21%

Average retail prices received for common poinsettia sizes

Size	2018	2010-2017
4.5-inch	\$5.48 ↓	\$5.74
6-inch	\$9.87 ↓	\$10.19
6.5-inch	\$10.99 ↓	\$12.78
8-inch	\$23.08 ↓	\$24.35
10-inch	\$30.21 ↓	\$34.47
Larger than 10-inch	\$37.46 ↓	\$46.73

Average wholesale prices received for common poinsettia sizes

Size	2018	2010-2017
4.5-inch	\$3.29 ↓	\$4.89
6-inch	\$5.63 ↓	\$5.65
6.5-inch	\$6.59 ↓	\$6.89
8-inch	\$13.90 ↓	\$14.27
10-inch	\$19.37 ↓	\$20.35
Larger than 10-inch	\$25.28 ↓	\$28.78

What were your final impressions of the 2018 poinsettia market?

- “Good to great year” (about a third of respondents said this)
- “Average” (about 25% said this)
- “We made big changes by dropping our biggest customer that was slow to pay but bought 20 % of our crop, and sold most of them to one of our larger retailer outlets and get paid on time.”
- “Due to the heat delay our crop (all local growers included) was not the best we’ve had and took way more dumpage than ever before. In our area, the chains rule and truthfully they set the customer mentality as to pricing. A sign I saw in one of the florist shops sums it all up: If you want a cheap poinsettia, Wal-Mart is just down the road.
- “It was a little better than 2017, but it's because we cut way back on quantity. The astigmatism of them still be poisonous is seriously hurting this crop anymore, and it's a battle being lost throughout social medias. When a vet posts that they are very poisonous and toxic to pets and children, and no one responds that they are not, what is someone like me to do?”
- “We had good sales. But our wholesale customers are more careful with buying. Retail sales were down.”
- "Box stores plants seemed to look worse than past years. Decorators and our 7.5-inch plants are increasing in popularity. First days of season was very cold and icy, which hurt sales.”
- "We had a great crop and sold most of what we grew. Had to heat more due to earlier cold weather, so made less.”
- “Sales were okay, nothing spectacular. Getting rid of the whiteflies in order to sell them was a real challenge.”
- “2018 was significantly better than preceding seasons. For the first time in a decade, our business actually sold out of poinsettias in mid-December. Sales were strong and there was more interest in poinsettias or holiday flowers (decorating with a combination of poinsettias and cyclamen) than previously.”
- “We had a good selling season despite a 14-inch snow storm on Dec. 10th. Demand was good for our high-quality plants.”
- “People seem to be appreciating homegrown quality plants and are beginning to see the difference in value.”
- “Poinsettia market was pretty much the same as previous year; however, we saw an uptick in other flowers sold at this time of year like cyclamen and zygo cactus. I expect the market for poinsettias to remain the same; however, I also expect future growth for Christmas will be in other offerings than poinsettias.”
- “Great growing season until November, when we had cloud cover the entire month. Botrytis set in on Christmas Joy series pretty badly.”

Will you grow poinsettias again next year?

Yes	96%
No	0%
Not sure	4%

When was the last time your business grew poinsettias?

2018	9%
2017	0%
2016	0%
2015	0%
Before 2015	64%
Never have grown poinsettias	27%

If you have not produced poinsettias in recent years, would you consider growing poinsettias in 2019?

Yes	18%
No	55%
Not sure yet	18%
Other	9%