



Market Report

A Snapshot of your Market Sector

Florist

This pack has been designed to provide information on setting up a business in the **florist** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **April 2024**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the florist market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Revenue in the **florist industry** is anticipated to contract at a compound annual rate of 4.6% over the five years through 2023-24 to **£1 billion**. Revenue is expected to climb at a compound annual rate of 2.8% over the five years through 2028-29 to **£1.1 billion** (IBISWorld, *Florists in the UK*, August 2023).
- ◆ Shoppers predominantly favour supermarkets which is influenced by the convenience of incorporating flower and houseplant shopping into their regular grocery trips. Of people who have bought flowers/houseplants in-store or online in 2023/24, **29% bought from Tesco while 13% bought from an independent florist** (Mintel, *Consumer attitudes towards Cut Flowers and Houseplants – UK*, 2024).
- ◆ Revenue for the **online flower retail industry** in the UK is expected to climb at a compound annual rate of 11.9% over the five years through 2023-24 to **£499.8 million**. The consumer shift towards online retailing has been the main driver of growth in the industry. The online nature of the industry allows florists to benefit from higher profitability than their retail competitors because of lower operating costs. The average industry profit margin is expected to be 15.2% in the current year. Industry revenue is forecast to grow at a compound annual rate of 6.9% over the five years through 2028-29 to reach **£696.7 million** (IBISWorld, *Online Flower Retailers in the UK*, September 2023).
- ◆ Flower and houseplant gift buyers are eco-driven with locally sourced (28%) and recyclable packaging (25%) the two most important purchasing factors (Mintel, *Consumer attitudes towards Cut Flowers and Houseplants – UK*, 2024).
- ◆ Revenue from the retail sale of plants and flowers in the UK has fluctuated from £4.36 billion in 2019 to £3.9 billion in 2020, before increasing to £5.2 billion in 2021 (Statista, *Revenue from retail sales of natural or artificial plants and flowers in the United Kingdom (UK) from 2008 to 2021*, December 2023).
- ◆ UK households are the largest customers for florists, accounting for £458.2 million of the florist industry revenue. Event organisers include funeral homes and wedding planners, both of which make heavy use of florists. Event organisers such as funeral homes and wedding planners, both make heavy use of florists, accounting for £376.3 million (IBISWorld, *Florists in the UK*, August 2023).
- ◆ The national organisation for this industry is [British Florist Association](#).

Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **IBISWorld – Florists in the UK (August 2024).** Florists are sourcing flowers from local growers closer to home which is reducing the environmental impact of transport, ensuring fresher blooms and supporting local farmers. With plastic wrapping going hand in hand with bouquets, florists are adopting biodegradable and compostable packaging instead. Many florists now have online platforms to sell their flowers and plants. Some are interactive, allowing customers to customise their arrangements by colour, type of flower and style. Florists are using virtual reality, which gives customers an immersive experience of their flowers before making a purchase.
- ◆ **IBISWorld – Online flower retailing in the UK (September 2023).** To generate recurring revenue, online florists are launching subscription plans, delivering flowers to consumers weekly, biweekly and monthly. The convenience of the service, can be seen to make the life of consumers easier. The added element of personalisation further adds to the appeal. By introducing these subscription models, online retailers can build customer loyalty and secure recurring revenue. A surge in eco-consciousness across industries has triggered the introduction of eco-friendly flower arrangements in online flower shops. Environmentally friendly arrangements feature locally sourced flowers and sustainable packaging, contributing to lower carbon footprints. By incorporating green practices into their operations, these stores are not just championing sustainability but also appealing to a customer segment that appreciates and prioritizes environmental sustainability and responsible consumption.
- ◆ **Mintel – Consumer attitudes towards Cut Flowers and Houseplants – UK (2024).** In 2023, 43% of consumers bought flowers as gifts for Valentine's Day, 30% for Mother's Day, 16% for Easter and 6% for Father's Day. There are plenty of opportunities to tap into other smaller events and cultural ones such as Diwali, Day of the dead and Scandinavian midsommar as flowers are a key part of making these celebrations special. Meanwhile, 16–34-year-olds lead spending for flowers and houseplants, seeing them as affordable luxuries that they are willing to spend their money on with retailers like Freddie's Flowers positioning flowers not only as thoughtful gifts but also as personal indulgences.

There are also a number of online resources you may find helpful:

- ◆ **The British Florist Association's Sustainability News** (britishfloristassociation.org/sustainability-news) can be used to increase awareness of what steps the industry is taking to make positive changes and how these can benefit your business and customers.
- ◆ The **Bridebook 2024 Wedding Industry Report** (partners.bridebook.com/uk/uk-wedding-report-2024) found that the average spend for professional florist/flowers for a wedding is £1,182 in the UK, but on average in Scotland is £885.

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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Updated by: Alanna Broadley

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