

A Brief Overview of the Nursery & Greenhouse Industry: Impact, Trends, Opportunities & Threats



Overview of Nursey and Greenhouse Industry: Impacts and Trends



- ❑ Nursery and Greenhouse industry also called “The Green Industry” includes:
 - Production and Marketing of Floriculture and Environmental Horticulture crops and is integrated with landscaping, florist and garden center operations.
- ❑ Nursery and Greenhouse means facilities used for the propagation, production and sale of agricultural or ornamental plants, and related products:
 - Retail nursery/Greenhouse
 - Wholesale nursery/Greenhouse
 - Greenhouse



Overview of Nursey and Greenhouse Industry: Impacts and Trends (Cont.)

- Fastest Growing Sector in Agriculture
- Five leading states in terms of nursery sales were California, Florida, Oregon, Texas and Michigan, in that order.
- Not surprisingly, family-owned (or individually owned) operations comprise the majority of businesses, accounting for 53%. Corporate operations, however, account for 76% of sales

Nursery/Greenhouse Industry

- What economists call the 'green industry' – is bringing plenty of green to a lot of people across the country.
- A recent study by the University of Florida shows:
 - Industry generated \$196 billion in revenues annually
 - More than two million jobs in the United States.
 - Large employer
- Highly labor-intensive, particularly the services sectors.
 - To make a comparison to another large industry in the U.S., this is about the same number of jobs in retail clothing and accessory stores.



Nursery/Greenhouse Industry



- Has recovered well after recession 2007-09 both in terms of revenue and jobs.
- ❖ **TENNESSEE:** Thriving industry has been in existence for well over a hundred years and is a bright spot in Tennessee agriculture.
- There are nearly 1,700 growers of the finest nursery stock available bringing \pm \$285 million in cash receipts into the state each year.

Nursery Industry



- The economic impact of the nurseries, from mom-and-pop operations to sprawling corporate enterprises,
 - amounts to \$400 million annually for Tennessee
- Favorable climate, optimum growing conditions, & Location makes Tennessee a leading producer of nursery products
- State is the world's largest supplier of dogwood and peach tree liners (young plants ready for field transplanting), in Middle Tennessee

Driving Forces or Trends Impacting the Nursery/ Greenhouse Industry

1. Social/lifestyle/consumer Trends.
2. Sophisticated/knowledgeable customers.
3. Increasing environmental concerns
4. Business/management trends.
5. Housing construction trends
6. Political/legislative/regulatory trends
7. Workforce/workplace trends.
8. Marketing/advertising/media trends.
9. Improving communications technology
10. Increasing emphasis on partnership marketing





Opportunities and Threats

Social/lifestyle/consumer trends

- Are middle-aging consumers trading down and buying less as they reevaluate their priorities? If so, is this temporary or permanent?
- If not, is there a switch to more goods that are shopped for and purchased in a more price conscious manner?

Business/management trends - Slow, uneven growth

- If so, who will be the winners and losers?
- What will determine success or failure in an uncertain era?

Political/legislative/regulatory trends

- What laws will be passed on the federal, state or local level that will affect nursery business, customers, employees, suppliers?

Opportunities and Threats



➤ *Workforce/workplace trends*

Can I find and retain employees with the skills & motivation needed at salaries I can afford?

How do I supervise them?

➤ *Marketing/advertising/media trends*

How do I reach today's more segmented, fragmented marketplace?

➤ *What type of competition and what level?*

Should I compete on price, service, selection of merchandise, quality, convenience or a combination thereof?

What are the Solutions: Practices

- *What will you do with this information?*
- To survive and thrive in the next decade, nurserymen will have to be quick on their feet. But they'll also have to stick to the Basics:
 - Become and stay informed about driving forces (trends) affecting your business.
 - Be Informed of technical/scientific developments and adopt them, if it applies to you.



What are the Solutions: Practices

Know, understand, service, and learn from your customers.

- Examine your mission and strategic vision, and keep focused on your strategic intent.
- Respond and adopt where change is warranted; strengthen what deserves to be retained.
- You must create the habits that back your success and good reputation.



- Read Every Day.
- Focus on Challenging Tasks.
- Make your Health Priority
- *Success is something that is cultivated over time*
- *Success is a daily chore, a daily commitment, that functions around your life purpose*

