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Retailing horticultural specialties marketed as side-line products in West Virginia

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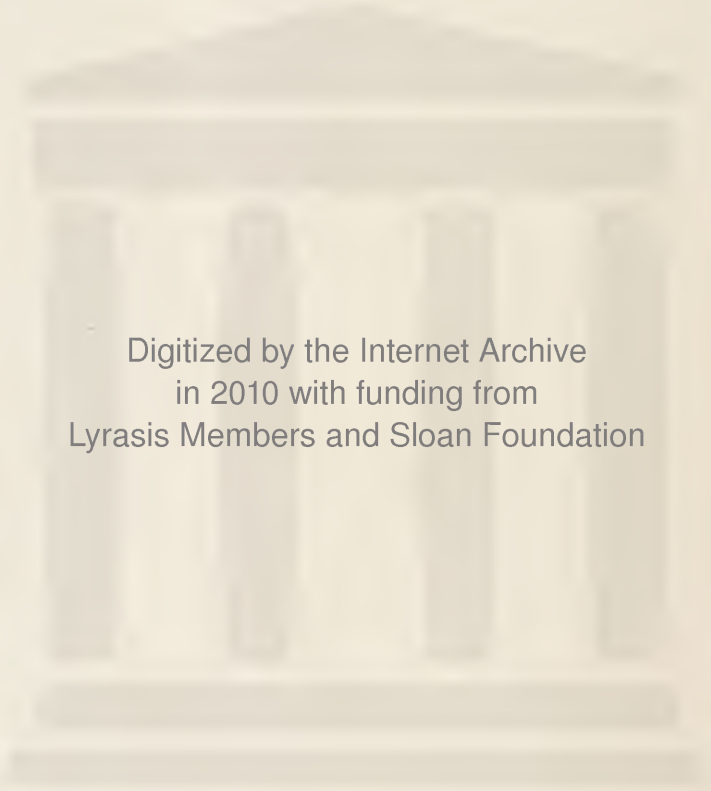
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RETAILING
HORTICULTURAL SPECIALTIES
MARKETED AS SIDE-LINE PRODUCTS
IN WEST VIRGINIA

West Virginia University
Agricultural Experiment Station
Bulletin 512 June 1965



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WEST VIRGINIA UNIVERSITY
AGRICULTURAL EXPERIMENT STATION
COLLEGE OF AGRICULTURE, FORESTRY, AND HOME ECONOMICS
A. H. VANLANDINGHAM, DIRECTOR
MORGANTOWN

Summary

The purpose of this study was to determine the marketing practices and policies of retail outlets in West Virginia which market horticultural specialties as side-line products.

Data were obtained by personal interviews with 352 owners or operators of retail outlets which market horticultural specialties as side-line products in West Virginia. Thirty-three of the outlets were nurseries, 69 were florists, and 250 were mass outlets. Mass outlets included 110 grocery stores, 56 part-time ventures, 41 feed and farm supply stores, and 43 miscellaneous outlets. Products considered as side-line horticultural specialties were trees and shrubs, rose plants, bedding plants, vegetable plants, potted house plants, and cut flowers.

Retail outlets which market horticultural specialties as side-line products tend to locate in or around metropolitan areas of the State. The number of total retail outlets in a county is directly related to county population, county seat population, and population density per square mile. However, the number of mass outlets is influenced more by these population variables than are the number of nurseries and florists.

Although most retail outlets market some quantity of each side-line horticultural specialty, certain tendencies were found. First, there was a tendency for florists and mass outlets, and nurseries and mass outlets not to market the main-line products of the nurseries and florists, respectively. Second, florists specialize in marketing bedding plants as side-line horticultural specialties, while mass outlets specialize in vegetable plants and cut flowers. Nurseries tend to diversify by marketing a small volume of each horticultural specialty as a side-line product.

The major procurement sources of all outlets included in the study were in-State suppliers. However, considerable variation was found for different types of retail outlets and different types of products. Nurseries and florists produce most of their own side-line horticultural specialties, while mass outlets depend primarily on in-State suppliers. Rose plants were the only product which was procured primarily from out-of-State supply sources. Trees and shrubs were the only products which florists did not produce themselves, but depended primarily on in-State suppliers.

The number of months that horticultural specialties were marketed as side-line products showed considerable variation. The marketing period was relatively short, one to four months, for all side-line horticultural products, except cut flowers. Cut flowers were marketed primarily from five to twelve months during the year. Nurseries and mass outlets marketed their products one or two months, primarily. Florists' marketing period was usually three or four months.

The average annual sales value of all retail outlets marketing horticultural specialties as side-line products was \$1,666.37. The average sales value was \$2,347.62 for nurseries, \$3,017.50 for florists and \$1,242.48 for mass outlets.

Consignment sales play only a minor role in the marketing of horticultural specialties as side-line products. The retailers of these products are influenced by suppliers of consigned side-line horticultural specialties. Suppliers control payment, disposal, and delivery methods of the consigned products.

Retailing Horticultural Specialties Marketed As Side-Line Products In West Virginia

RONNIE L. BURKE and ROBERT L. JACK

Horticultural specialty wholesale value increased \$649,525 in West Virginia from 1949 to 1959.¹ West Virginia's nursery-crop sales alone increased 173 per cent, compared with total farm-product sales which increased only 10 per cent.² This increase in horticultural specialty sales can be attributed partially to higher incomes, more leisure time, new-home construction, and education of the consumer.

There also has been an increase in the number of retail outlets marketing horticultural specialties. It is expected that the increase in number of outlets has led to competition among retail outlets. Nurserymen and florists have been concerned about the competition and the portion of the increasing market that is being acquired by retail mass outlets.³

The purpose of this study was to determine the marketing practices and policies of retail outlets (nurseries, florists, and mass outlets) marketing horticultural specialties as side-line products. The objectives were: (1) to determine the effect of population on the location of outlets marketing horticultural specialties as side-line products, (2) to determine the sales value and volume of horticultural specialties marketed as side-line products by nurseries, florists, and mass outlets, (3) to investigate the extent of consignment sales of horticultural specialties marketed as side-line products by the retail outlets, and (4) to identify and evaluate marketing practices and policies found by the study.

Procedure

A list of the names and addresses of retail outlets marketing horticultural specialties as side-line products was prepared. This list included 11 retail outlets in West Virginia except those in Gilmer, Jefferson, Mason, Mingo, Pocahontas, and Wirt counties. A 75 per cent random sample of these outlets was selected from this list. The sample included 3 nurseries, 69 florists, and 250 mass outlets. With the aid of a prepared schedule, personal interviews were conducted by enumerators with the owners or operators of the retail outlets selected.

¹U.S. Bureau of Census. U.S. Census of Agriculture: 1959. Volume V. *Special Reports, Part I - Horticultural Specialties*. (Washington: Government Printing Office, 1962), pp. 51-52.

²Roger W. Pease, *Part-time Nurseries and The Market for Ornamental Trees and Shrubs*, Agr. Exp. Sta., West Virginia University, Circular 110, August 1960.

³For definitions see page 6.

Definitions

Florist: A retail outlet which acquired 66 per cent or more of its total retail sales volume from flower arrangements and whose main-line products were cut flowers and potted house plants. Horticultural specialties considered as side-line products were trees and shrubs, rose plants, bedding plants, and vegetable plants.

Mass outlet: A retail outlet, such as grocery store or feed and farm supply store, which was non-nursery, non-florist and was not a branch of a chain store organization. Side-line horticultural specialty products were trees and shrubs, rose plants, bedding plants, vegetable plants, potted house plants, and cut flowers.

Miscellaneous outlet: A type of mass outlet which included stores and organizations which marketed horticultural specialties as side-line products. This type of mass outlet included department stores, hardware stores, novelty stores, vocational agriculture departments, etc.

Nursery: A retail outlet which produced at least 66 per cent of the total products sold on the retail market and whose mainline products were trees and shrubs. Side-line horticultural specialties were rose plants, bedding plants, vegetable plants, potted house plants, and cut flowers.

Side-line horticultural specialty: Plant or plants marketed by retail outlets in addition to main-line products. Considered as side-line horticultural specialties products in this study were trees and shrubs, rose plants, bedding plants, vegetable plants, potted house plants, and cut flowers. Main-line products of nurseries were trees and shrubs. Main-line products of florists were potted house plants and cut flowers. All of the horticultural specialties were considered as side-line products for the mass outlets.

Findings and Analysis

Number and Location of Outlets

The study included 352 retail outlets that marketed one or more horticultural specialties as side-line products. The outlets included 33 nurseries, 69 florists, and 250 mass outlets. The mass outlet group was composed of 110 grocery stores, 56 part-time greenhouse-florists and private ventures, 41 feed and farm supply stores, and 43 miscellaneous outlets (Table 1).

The nurseries tended to locate in or around the metropolitan areas of the State, and in counties with a relatively large population (Figure 1). Florists also tended to locate in or around metropolitan areas but were distributed more uniformly throughout the State than nurseries (Figure 2). Mass outlets also tended to concentrate in or around metropolitan areas but the concentration was not as great as for nurseries and florists (Figure 3).

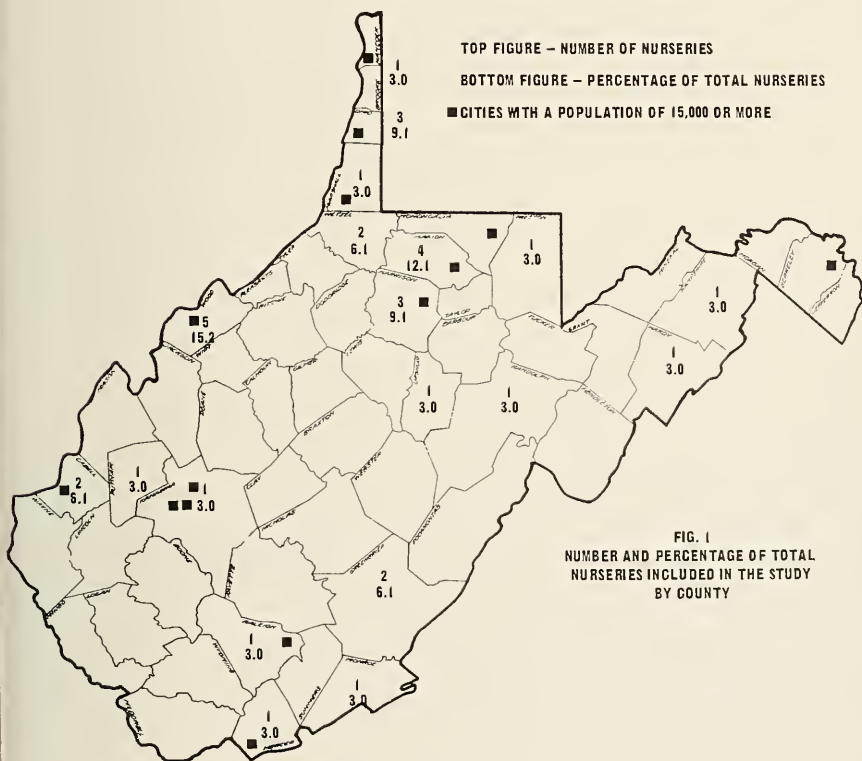
TABLE 1

Type, Number, and Percentage of Retail Outlets Which Sell Horticultural Specialties as Side-Line Products

TYPE OF RETAIL OUTLET	NUMBER OF RETAIL OUTLETS	PERCENTAGE
Nursery	33	9.4
Florist	69	19.6
Mass Outlet	250	71.0
Grocery	(110)	(31.3)
Part-time Venture	(56)	(15.9)
Feed and Farm Supply	(41)	(11.7)
Miscellaneous	(43)	(12.2)
Total	352	100.0

The concentration of the retail outlets in or around metropolitan areas is an indication that population is an important factor considered in the location of a retail outlet marketing horticultural specialties as side-line products.

One hundred and seventeen, or a third, of the total retail outlets which marketed horticultural specialties as side-line products were



located in Marion, Harrison, Kanawha, Wood, Mercer, and Cabell counties. In 1960 these six counties had an average county population of 108,206 persons, average county seat population of 46,367 persons, and an average population per square mile of 239.2 persons. On the other hand, Brooke, Fayette, Putnam, and Summer counties had only one retail outlet per county which marketed horticultural specialties as side-line products. The population of the county, the county seat population, and the county population per square mile for these four counties averaged 32,468, 3,219, and 132.5, respectively. These data suggest that a positive relationship exists between population and the number of retail outlets marketing horticultural specialties as side-line products (Appendix Table 1).

Types and Volumes of Products Marketed

The types and volumes of horticultural specialties marketed as side-line products varied considerably with the different types of retail outlets. Of the 352 outlets, over three-fourths marketed vegetable plants, half marketed bedding plants, a third marketed potted house plants, and a fourth marketed rose plants as side-line products. Trees and shrubs were

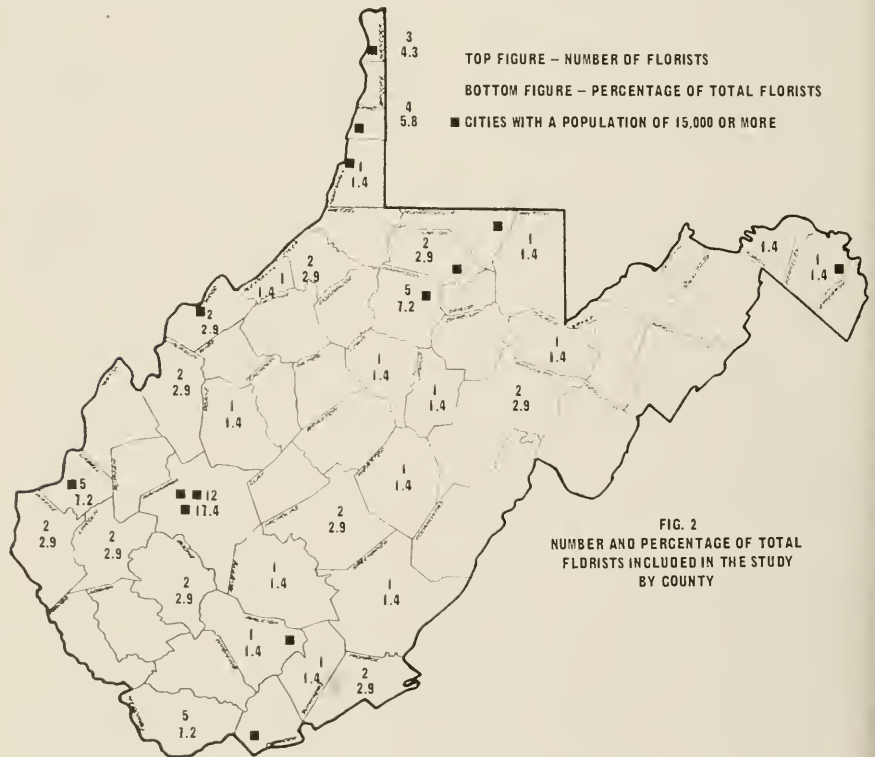


FIG. 2
NUMBER AND PERCENTAGE OF TOTAL FLORISTS INCLUDED IN THE STUDY BY COUNTY

marketed by only 16 per cent of the total retail outlets (Table 2).

Most nurseries marketed bedding plants as a side-line product. Rose plants, vegetable plants, and potted house plants were also popular products. Only a relative few nurseries marketed cut flowers.

A major portion of the florists, 90 per cent, marketed bedding plants as a side-line product. Both rose and vegetable plants were marketed by two-thirds of the florists. A relatively small portion, 40 per cent, marketed trees and shrubs.

Eighty-four per cent of the mass outlets marketed vegetable plants as a side-line product. Almost half of the mass outlets marketed potted house plants and slightly more than a third marketed bedding plants. Around 10 per cent of the mass outlets marketed cut flowers and rose plants and 16 per cent marketed trees and shrubs.

These data indicate that most nurseries and florists marketed bedding plants, but most mass outlets marketed vegetable plants. Most of the nurseries did not market cut flowers and most of the florists did not market trees and shrubs. Most of the mass outlets did not market rose plants, cut flowers, or trees and shrubs.

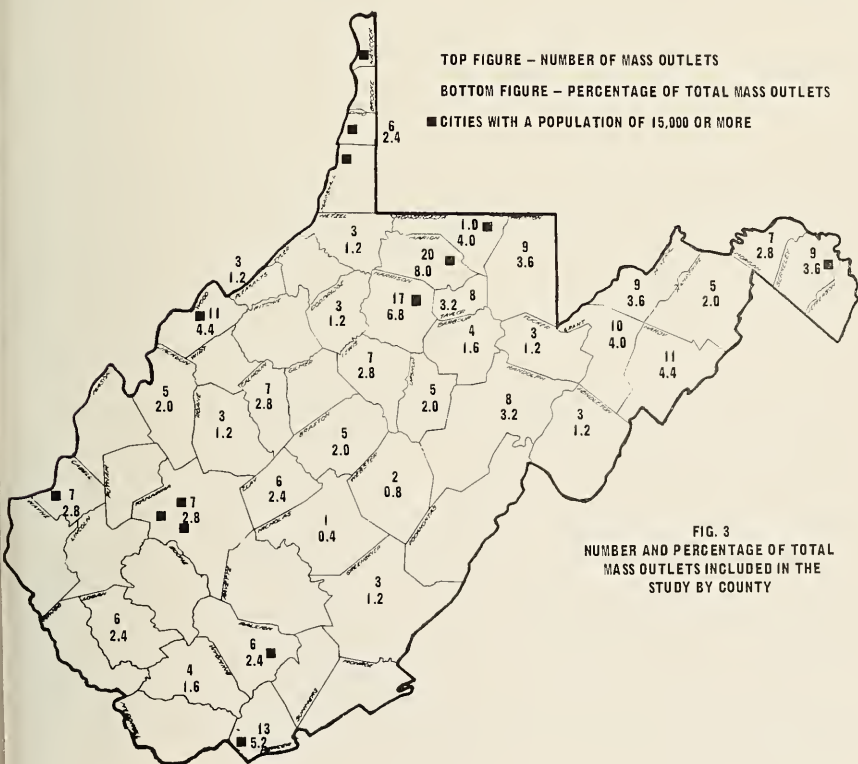


FIG. 3
 NUMBER AND PERCENTAGE OF TOTAL
 MASS OUTLETS INCLUDED IN THE
 STUDY BY COUNTY

TABLE 2
Percentage of Retail Outlets Which Sold Each Type of Horticultural Specialty as a Side-Line Product

TYPE AND NUMBER OF RETAIL OUTLETS	HORTICULTURAL SPECIALTY MARKETED AS A SIDE-LINE PRODUCT					
	TREES AND SHRUBS	ROSE PLANTS	BEDDING PLANTS	VEGETABLE PLANTS	POTTED HOUSE PLANTS	CUT FLOWERS
	<i>Per Cent</i>					
Nursery	0.0*	69.6	78.6	57.6	63.6	24.2
Florist	39.2	66.8	90.0	66.8	0.0*	0.0*
Mass Outlet	11.6	9.6	37.2	83.6	41.2	8.8
Grocery	(10.0)	(7.3)	(32.7)	(86.4)	(46.4)	(1.8)
Part-time						
Venture	(14.3)	(3.6)	(41.1)	(73.2)	(39.3)	(28.6)
Feed and						
Farm Supply	(4.9)	(17.1)	(31.7)	(97.6)	(26.8)	(0.0)
Miscellaneous	(18.6)	(16.3)	(48.3)	(76.7)	(44.2)	(9.3)
TOTAL	15.9	26.4	51.4	77.8	35.2	28.9

*Products considered as main-line rather than side-line for these outlets.

The tendency for certain types of outlets not to market particular products may be explained by several factors. Casual factors may have been domination of the market by certain types of outlets, perishability of products, equipment, knowledge, and display facilities required, and consumer demand for the products. It is expected that nurseries and florists have some control over the market for their main-line products. As a result, only a few of the other types of outlets can acquire a sufficient portion of the market to make their efforts profitable. Secondly, the rate of perishability of certain products, such as cut flowers, is rapid if the flowers are not kept under refrigeration. To avoid a financial loss due to the deterioration of some plants certain types of outlets without proper equipment tend not to market the product. Thirdly, the equipment, knowledge, and display facilities required by certain plants may influence owners or operators not to market the product. Rose plants, trees and shrubs, and cut flowers require special care, equipment and large display areas at the retail market. The cost of such equipment and care may influence the retailers not to invest in the equipment necessary to market these products. Finally, the demand for certain products may not be sufficient to provide a profit incentive for the owners or operators of the retail outlets.

The portion of total side-line product sales associated with each product represents the relative economic value of these products to retailers.

The major portion of the nurseries marketed bedding plants (see Table 2) but most of them concentrated on marketing rose plants (Table 3). The twenty-two nurserymen who sold rose plants indicated that these plants accounted for an average of around 45 per cent of their total side-line horticultural sales (Table 3). Twenty-four nurserymen indicated that bedding plants accounted for an average of one-third of their total side-line horticultural sales. For seven nurseries, cut flowers accounted for half of their total side-line horticultural sales.

Fifty-nine florists indicated that bedding plants accounted for slightly more than half of their total horticultural specialty side-line sales volume. Vegetable plants made up an average side-line sales volume of 40 per cent of total side-line sales volume for forty-five florists. These data indicate that florists marketed mostly bedding and vegetable plants.

Mass outlets concentrated on marketing vegetable plants. Vegetable plants accounted for an average of three-fourths of total side-line horticultural sales for 206 owners or operators of mass outlets. Twenty-two mass outlets had slightly more than half of total sales of side-line horticultural specialties from cut flowers.

Florists tend to specialize in marketing bedding plants. (One type of product accounted for 50 per cent or more of the total sales volume.)

Most mass outlets seem to specialize in marketing vegetable plants and a few mass outlets specialize in marketing cut flowers. Nurserymen carry a large variety of side-line horticultural specialties. Some nurserymen market a large volume of rose plants. Production and display facilities, the extent and nature of consumer demand, the bulkiness of some products, and procurement source probably influence this tendency to specialize.

Procurement Sources

The difficulties involved in obtaining horticultural specialty products have caused considerable concern by outlets marketing these products. In the interview, a question was asked about the source from which a retail outlet obtained most of its side-line horticultural specialties (Table 4).

The major portion of the responses, 45 per cent, indicated that side-line horticultural specialties were procured from in-State sources. Some outlets, 30 per cent, grew their own products and 25 per cent of the outlets procured their products from out-of-State sources.

Nurserymen grew the major portion of their side-line horticultural specialties. This was especially true for bedding plants, vegetable plants, potted house plants, and cut flowers. Nurserymen who sold rose plants depended primarily on an out-of-State supply source.

Florists produced most of the bedding and vegetable plants sold by their retail outlets. Trees and shrubs and rose plants were procured mostly from an in-State source. Florists did not procure the major portion of any side-line horticultural specialty from an out-of-State source.

Mass outlets procured most of their trees and shrubs, bedding plants, vegetable plants, potted house plants, and cut flowers from in-State sources. The primary source of rose plants for the mass outlets was from out-of-State. Only a small volume of the horticultural specialties was grown by the owners or operators of mass outlets.

In general, nurseries and florists produce most of their own side-line horticultural specialties for the retail market. Mass outlets depend upon other sources of supply, primarily in-State suppliers. The differences in the procurement source may be attributed to the facilities the retail outlet has for producing the products. It is expected that nurseries and florists have the facilities for producing their own products, but mass outlets probably do not have adequate production facilities. As a result, nurseries and florists can produce most of the products they sell, while mass outlets have to depend on other sources.

Many of the retail outlets did not produce trees and shrubs, and rose plants. Trees and shrubs were procured primarily from in-State suppliers, while rose plants were procured primarily from out-of-State sources.

TABLE 3

Number of Retail Outlets and Average Percentage of Total Side-Line Volume Attributed to Each Horticultural Specialty Marketed as a Side-Line Product for Each Type of Retail Outlet

TYPE OF RETAIL OUTLET	HORTICULTURAL SPECIALTY SIDE-LINE PRODUCT											
	TREES AND SHRUBS		ROSE PLANTS		BEDDING PLANTS		VEGETABLE PLANTS		POTTED HOUSE PLANTS		CUT FLOWERS	
Nursery (N = 33)	(No.) 0*	(%) 0.0	(No.) 22	(%) 45.3	(No.) 24	(%) 33.9	(No.) 17	(%) 19.7	(No.) 19	(%) 27.6	(No.) 7	(%) 49.3
Florist (N = 69)	26	24.4	46	22.3	59	53.5	45	40.4	0*	0.0	0*	0.0
Mass Outlet (N = 250)	29	35.4	25	16.0	94	22.9	206	77.3	104	41.1	22	54.1
Grocery (N = 110)	(11)	(22.3)	(8)	(8.1)	(37)	(26.5)	(93)	(78.9)	(52)	(44.0)	(2)	(55.0)
Part-time Venture (N = 56)	(8)	(44.4)	(3)	(5.0)	(23)	(18.7)	(41)	(76.6)	(22)	(32.3)	(16)	(58.1)
Feed and Farm Supply (N = 41)	(2)	(17.5)	(7)	(30.0)	(13)	(13.9)	(40)	(84.6)	(10)	(27.0)	(0)	(0.0)
Miscellaneous (N = 43)	(8)	(48.8)	(7)	(15.7)	(21)	(27.1)	(32)	(64.4)	(20)	(50.3)	(4)	(37.5)

*Products considered main-line rather than side-line for these outlets.

TABLE 4

Procurement Source by Type of Horticultural Specialty and Type of Retail Outlet

TYPE OF PRODUCT AND TYPE OF RETAIL OUTLETS	NUMBER	PROCUREMENT SOURCE		
		GROWN BY RETAILER	PURCHASED IN-STATE	PURCHASED OUT-OF-STATE
<i>Per Cent</i>				
<i>Trees and Shrubs</i>				
Nursery	0°	0.0	0.0	0.0
Florist	28	17.86	53.6	28.6
Mass Outlet	29	20.69	51.7	27.6
Grocery	(11)	(9.1)	(90.9)	(0.0)
Part-time Venture	(8)	(37.5)	(12.5)	(50.0)
Feed and Farm Supply	(2)	(0.0)	(50.0)	(50.0)
Miscellaneous	(8)	(25.0)	(37.5)	(37.5)
<i>Rose Plants</i>				
Nursery	23	4.4	13.4	82.6
Florist	46	8.7	54.4	36.9
Mass Outlet	24	4.2	12.5	83.3
Grocery	(7)	(0.0)	(28.6)	(71.4)
Part-time Venture	(3)	(33.3)	(33.6)	(33.3)
Feed and Farm Supply	(7)	(0.0)	(0.0)	(100.0)
Miscellaneous	(7)	(0.0)	(0.0)	(100.0)
<i>Bedding Plants</i>				
Nursery	26	65.4	23.1	11.5
Florist	62	59.7	35.5	4.8
Mass Outlet	93	29.1	48.4	22.6
Grocery	(36)	(0.0)	(58.3)	(41.7)
Part-time Venture	(23)	(86.9)	(4.3)	(8.7)
Feed and Farm Supply	(13)	(7.7)	(76.9)	(15.4)
Miscellaneous	(21)	(28.6)	(61.9)	(9.5)
<i>Vegetable Plants</i>				
Nursery	19	63.2	26.3	10.5
Florist	46	67.4	26.1	6.5
Mass Outlet	204	21.6	47.1	31.4
Grocery	(92)	(2.2)	(56.5)	(41.3)
Part-time Venture	(40)	(90.0)	(0.0)	(10.0)
Feed and Farm Supply	(40)	(5.0)	(65.0)	(30.0)
Miscellaneous	(32)	(12.5)	(56.3)	(31.3)
<i>Potted House Plants</i>				
Nursery	21	61.9	28.6	9.5
Florist	0°	0.0	0.0	0.0
Mass Outlet	103	16.5	69.9	13.6
Grocery	(52)	(1.9)	(80.8)	(17.3)
Part-time Venture	(22)	(54.6)	(36.4)	(9.1)
Feed and Farm Supply	(10)	(10.0)	(90.0)	(0.0)
Miscellaneous	(19)	(15.8)	(68.4)	(15.8)
<i>Cut Flowers</i>				
Nursery	8	75.0	12.5	12.5
Florist	0°	0.0	0.0	0.0
Mass Outlet	21	23.8	61.9	14.3
Grocery	(2)	(0.0)	(50.0)	(50.0)
Part-time Venture	(15)	(26.7)	(60.0)	(13.3)
Feed and Farm Supply	(0)	(0.0)	(0.0)	(0.0)
Miscellaneous	(4)	(25.0)	(75.0)	(0.0)
TOTAL	756	(29.9)	44.9	25.1

°Products considered main-line rather than side-line for these outlets.

Trees and shrubs are relatively large, bulky plants which require special equipment, a large area per plant, and special care in the production and marketing stages. It is likely that West Virginia's climate and elevation influence retail outlets to buy this product in-State. Trees and shrubs produced out-of-State may not survive in the West Virginia climate. An in-State grower can supply retailers with a product already adapted to most of the climatic conditions and different elevations of the State.

Procurement of rose plants from out-of-State sources may be explained by two factors. First, the demand for rose plants in West Virginia may be insufficient for outlets in the State to produce rose plants in large volume. Second, the climate may make production in the State unprofitable even if insufficient demand were not a problem.

Number of Months of Sales

Horticultural specialties have a highly seasonal demand. This study attempted to determine seasonal variation in demand for side-line horticultural specialties. Analysis of the data indicated considerable variation in the number of months in which these products are sold (Table 5). The seasonal variation differed depending on the product marketed and the type of retail outlet marketing the product.

Owners or operators of all types of outlets marketing horticultural specialties as side-line products indicated that they marketed these products primarily one or two months. They also indicated that a marketing period of three or four months for some products was common. Relatively few indicated that they marketed products five to twelve months out of the year.

Trees and shrubs were marketed primarily three or four months, but the period differed depending on the type of retail outlet. Florists usually marketed trees and shrubs three or four months, while mass outlets marketed them one or two months.

Rose plants were marketed primarily three or four months, but the period differed considerably depending on the type of retail outlet. Nurseries marketed rose plants primarily five to twelve months, florists three or four months, and mass outlets one or two months.

Bedding plants were marketed by most of the outlets one or two months. Nurseries usually marketed them three or four months, but florists and mass outlets marketed them one or two months, primarily.

Vegetable plants were marketed by the majority of the outlets three or four months. Florists and mass outlets tended to market this product three or four months. Nurseries, almost exclusively, marketed vegetable plants one or two months.

TABLE 5

Number of Outlets Marketing Each Type of Side-Line Horticultural Specialty by Number of Months Sold and Type of Retail Outlet

TYPE OF PRODUCT AND TYPE OF OUTLET	NUMBER OF MONTHS SOLD			TOTAL
	1 or 2	3 or 4	5 to 12	
	<i>Number of Outlets</i>			
<i>Trees and Shrubs</i>				
Nursery	0°	0	0	0
Florist	2	14	11	27
Mass Outlets	12	8	9	29
Grocery	(7)	(4)	(0)	(11)
Part-time Venture	(2)	(3)	(3)	(8)
Feed and Farm Supply	(1)	(0)	(1)	(2)
Miscellaneous	(2)	(1)	(5)	(8)
Total	14	22	20	56
<i>Rose Plants</i>				
Nursery	2	10	11	23
Florist	9	32	4	45
Mass Outlets	17	5	1	23
Grocery	(7)	(1)	(0)	(8)
Part-time Venture	(3)	(0)	(0)	(3)
Feed and Farm Supply	(5)	(1)	(1)	(7)
Miscellaneous	(2)	(3)	(0)	(5)
Total	28	47	16	91
<i>Bedding Plants</i>				
Nursery	11	12	3	26
Florist	34	21	7	62
Mass Outlets	56	36	0	92
Grocery	(27)	(10)	(0)	(37)
Part-time Venture	(13)	(10)	(0)	(23)
Feed and Farm Supply	(8)	(5)	(0)	(13)
Miscellaneous	(8)	(11)	(0)	(19)
Total	101	69	10	180

Potted house plants were marketed mostly one or two months. Again, this varied with the type of retail outlet. Nurseries marketed this product primarily five to twelve months, but mass outlets tended toward one or two months of sales.

Cut flowers were mostly marketed five to twelve months. This was true both for nurseries and mass outlets.

In summary, bedding plants and potted house plants were marketed by most of the outlets one or two months. Trees and shrubs, rose plants, and vegetable plants were marketed by most of the outlets three or four months. Cut flowers was the only side-line horticultural specialty which was marketed primarily for five to twelve months.

Nurseries tended to market vegetable plants one or two months, bedding plants three or four months, and rose plants, potted house plants, and cut flowers five to twelve months. Florists had a tendency to market bedding plants one or two months, trees and shrubs, rose plants,

TABLE 5—(Continued)

TYPE OF PRODUCT AND TYPE OF OUTLET	NUMBER OF MONTHS SOLD			TOTAL
	1 or 2	3 or 4	5 or 12	
<i>Number of Outlets</i>				
<i>Vegetable Plants</i>				
Nursery	15	3	1	19
Florist	19	25	2	46
Mass Outlets	80	125	1	206
Grocery	(43)	(50)	(0)	(93)
Part-time Venture	(16)	(24)	(1)	(41)
Feed and Farm Supply	(5)	(35)	(0)	(40)
Miscellaneous	(16)	(16)	(0)	(32)
Total	114	153	4	271
<i>Potted House Plants</i>				
Nursery	7	3	11	21
Florist	0*	0	0	0
Mass Outlets	67	22	14	103
Grocery	(40)	(10)	(1)	(51)
Part-time Venture	(8)	(6)	(8)	(22)
Feed and Farm Supply	(7)	(1)	(2)	(10)
Miscellaneous	(12)	(5)	(3)	(20)
Total	74	25	25	124
<i>Cut Flowers</i>				
Nursery	1	2	5	8
Florist	0*	0	0	0
Mass Outlets	9	1	12	22
Grocery	(1)	(0)	(1)	(2)
Part-time Venture	(6)	(1)	(9)	(16)
Feed and Farm Supply	(0)	(0)	(0)	(0)
Miscellaneous	(2)	(0)	(2)	(4)
Total	10	3	17	30
TOTAL	341	319	92	752

*Products considered main-line rather than side-line for these outlets.

and vegetable plants three or four months. Mass outlets marketed trees and shrubs, rose plants, bedding plants, and potted house plants one or two months, primarily. Vegetable plants were marketed by most of the mass outlets for a three- or four-month period. Cut flowers was the only product which mass outlets marketed primarily five to twelve months.

These data suggest that regardless of the product, with the exception of cut flowers, the marketing period is relatively short, less than five months. Although certain types of retail outlets tend to market side-line horticultural specialties for different periods, considerable variation existed in the number of months of sale.

Sales Value

Horticultural specialties increased in sales value during the decade, 1950 to 1960. This study attempted to determine the sales value of horticultural specialties marketed as side-line products by nurseries, florists, and mass outlets.

The average sales value of all owners or operators of retail outlets reporting side-line horticultural specialty sales value was \$1,667.37. The average sales value was \$2,347.62 for nurseries, \$3,017.50 for florists, and \$1,242.48 for mass outlets (Table 6). Of the mass outlet group, part-time ventures had an average sales value of \$2,221.29, which was considerably higher than the other types of mass outlets.

Considerable variation occurred in the average sales value for each type of retail outlet. The distribution of the outlets in the various sales value categories also varied widely (Table 6). For example, there were six nurseries in the \$1-\$400 category and four in the \$4,100 and over category. A statistical test was used to determine if this distribution was significantly different from a random distribution. The test was highly significant indicating that factors other than random variation influenced the distribution.

These data indicate considerable variation in the sales value of horticultural specialties marketed as side-line products. The variation depended on the type of retail outlet. These data also indicate that mass outlets, especially part-time ventures, have sufficient sales value to be considered as important competitors in the market. This competitiveness of mass outlets should be considered by nurseries and will influence florists in pricing and establishing policies of horticultural specialties marketed as side-line products.

Consignment Sales

Owners and operators of nurseries, and florists, have expressed concern about consignment sales of horticultural specialties marketed as side-line products by mass outlets. Nurserymen and florists believed that the competitive position of the mass outlets was improved by consignment selling of horticultural specialty products.

Only 15 per cent of the 352 outlets sold side-line horticultural specialties on a consignment basis (Table 7). One nursery and one florist sold side-line horticultural specialties on consignment. Only a fourth of the mass outlets sold products on a consignment sales basis.

The average sales value of consigned side-line horticultural specialties was less than \$100 each for the florist and for the nursery, and \$484.85 for the mass outlet.

These data indicate that only a few retail outlets use consignment selling for horticultural specialties marketed as side-line products. Of the outlets that do use consignment selling, the sales value is low and the suppliers have control of this sales method.

Consignment sales of side-line horticultural specialties play only a minor role in the over-all marketing of side-line horticultural specialty products.

TABLE 6

Specified Sales Value, Average Sales Value, and Number of Each Type of Retail Outlet Reporting Sales Value of all Horticultural Specialties Marketed as Side-Line Products

TYPE OF RETAIL OUTLET	VALUE IN DOLLARS OF SALES*						TOTAL	AVERAGE SALES VALUE
	\$1-\$400	\$500-\$900	\$1000-\$1400	\$1500-\$1900	\$2000-\$4000	\$4100 and over		
Nursery	6	4	4	1	2	4	21	\$2347.62
Florist	17	10	3	2	12	16	60	\$3017.50
Mass Outlet	110	46	19	7	25	18	225	\$1242.48
Grocery	(57)	(19)	(6)	(1)	(14)	(2)	(99)	(\$ 763.64)
Part-time Venture	(19)	(8)	(5)	(2)	(8)	(12)	(54)	(\$2221.29)
Feed and Farm Supply	(17)	(12)	(6)	(2)	(2)	(1)	(40)	(\$ 865.00)
Miscellaneous	(17)	(7)	(2)	(2)	(1)	(3)	(32)	(\$1534.85)
TOTAL	133	60	26	10	39	38	306†	\$1666.37

*Estimates of sales value were in even hundreds of dollars.

†A Chi Square value of 44.314 was needed to show significance at the 1 per cent level for 25 degrees of freedom. A value of 53.605 was obtained. The total mass outlet group was not used in the computed Chi Square value.

TABLE 7

Type, Number, and Percentage of Retail Outlets Which did and did not Sell Horticultural Specialties as Side-Line Products on a Consignment Sales Basis

TYPE OF RETAIL OUTLET	SELLING BY CONSIGNMENT		NOT SELLING BY CONSIGNMENT	
	<i>Number</i>	<i>Per Cent</i>	<i>Number</i>	<i>Per Cent</i>
Nursery (N = 33) . . .	1	3.0	32	97.0
Florist (N = 69) . . .	1	1.4	68	98.6
Mass Outlet (N = 250)	49	19.6	201	80.4
Grocery (N = 110)	(26)	(23.6)	(84)	(76.4)
Part-time Venture (N = 56)	(4)	(7.1)	(52)	(92.9)
Feed and Farm Supply (N = 41)	(10)	(24.4)	(31)	(75.6)
Miscellaneous (N = 43)	(9)	(20.9)	(34)	(79.1)
TOTAL (N = 352)	51	14.5	301	85.5

APPENDIX

APPENDIX TABLE 1
Simple Regression Coefficients and Coefficients of Determination for Relationships Existing Between Population Variables and the Number of Outlets Which Marketed Horticultural Specialties as Side-Line Products

DEPENDENT VARIABLES	Population of County (Units of 1000)		Population of County Seat (Units of 100)		County Population Per Sq. Mile (Units of 10)	
	REGRESSION COEFFICIENT b	COEFFICIENTS OF DETERMINATION r^2	REGRESSION COEFFICIENT b	COEFFICIENTS OF DETERMINATION r^2	REGRESSION COEFFICIENT b	COEFFICIENTS OF DETERMINATION r^2
Number of Total Outlets	1.31°	.591°	.30°	.521°	3.38°	.362°
Number of Nurseries	.12	.228°	.03	.318°	.49°	.319°
Number of Florists	.45°	.863°	.09°	.634°	1.02°	.394°
Number of Mass Outlets	.85°	.413°	.17°	.301°	2.86°	.333°

°Value was significant at the .05 level of probability.

Number of Each Type of Retail Outlet Marketing Side-Line Horticultural Specialties and the Population of County, Population of County Seat*, and County Population per Square Mile* for Counties Included in Study*

County	Number of Nurseries	Number of Florists	Number of Mass Outlets	Total Number of Outlets	Population of County*	Population of County Seat*	County Population Per Sq. Mile*
Barbour			4	4	15,474	3,228	46.1
Berkeley		1	9	10	33,791	15,179	106.9
Boone		2		2	28,764	2,215	57.4
Braxton			5	5	15,152	967	29.3
Brooke	1			1	28,940	5,514	325.2
Cabell	2	5	7	14	108,202	83,627	387.8
Calhoun			7	7	7,948	866	28.3
Clay			6	6	11,942	486	34.9
Doddridge			3	3	6,970	1,186	21.8
Fayette			1	1	61,731	1,848	93.7
Grant			10	10	8,304	2,079	17.4
Greenbrier	2	1	3	6	34,446	2,259	33.6
Hampshire	1		5	6	11,705	2,203	18.3
Hancock		3		3	39,615	2,076	483.1
Hardy	1		11	12	9,308	1,434	15.9
Harrison	3	5	17	25	77,856	28,112	186.3
Jackson		2	5	7	18,541	2,756	40.0
Kanawha	1	12	7	20	252,925	85,796	278.6
Lewis		1	7	8	19,711	8,754	50.3
Lincoln		2		2	20,067	850	46.3
Logan			6	6	61,570	4,185	135.0
McDowell		5		5	71,359	5,313	133.9
Marion	4	2	20	26	63,717	27,477	206.2
Marshall	1	1		2	38,041	15,163	124.3
Mercer	1		13	14	68,206	8,393	163.6

(Continued on page 24)

APPENDIX TABLE 2 (Continued from page 23)

County	Number of Nurseries	Number of Florists	Number of Mass Outlets	Total Number of Outlets	Population of County*	Population of County Seat*	County Population Per Sq. Mile*
Mineral			9	9	22,354	6,192	67.7
Monongalia			10	10	55,617	22,487	152.4
Monroe	1	2	7	3	11,584	411	24.5
Morgan		1	1	8	8,376	1,138	35.9
Nicholas		2	1	3	25,414	2,008	39.2
Ohio	3	4	6	13	68,437	53,400	639.6
Pendleton			3	3	8,093	758	11.6
Pleasants		1	3	4	7,124	2,443	54.8
Preston	1	1	9	11	27,233	2,530	42.2
Putnam	1			1	23,541	318	67.5
Raleigh	1	1	6	8	77,826	18,642	128.9
Randolph	1	2	8	11	26,349	8,307	25.4
Ritchie			4	4	10,877	1,428	24.1
Roane		1	3	4	15,720	2,660	32.3
Summers		1		1	15,640	5,197	43.7
Taylor		1	8	9	15,010	5,791	88.3
Tucker		1	3	4	7,750	1,798	18.4
Tyler		2	2	4	10,026	711	39.2
Upshur	1	1	5	7	18,292	6,387	52.0
Wayne		2		2	38,977	1,274	76.0
Webster		1	2	3	13,719	1,132	24.9
Wetzel	2	3	3	5	19,347	5,607	53.4
Wood	5	2	11	18	78,331	44,797	212.9
Wyoming			4	4	34,836	1,137	69.1
TOTAL	33	69	250	352	1,758,978	529,671	

*Data from *West Virginia Blue Book, 1962*. Charleston, West Virginia.

