

Flowers Keep Life Bright Amid Budget Changes

International Fresh Produce Association (IFPA) provides supermarket floral department benchmarks so floral managers and buyers can compare their business with their competition to identify opportunities to drive stronger results.

Executive Summary

According to NIQ, overall **Americans are rethinking their shopping**. 87% of American consumers have changed how they shop to manage expenses. This includes seeking lower prices (82%), reducing overall spending (67%), switching products or brands (66%), changing stores (56%), and even adjusting product sizes (50%). This is seen in the reduction of average floral transaction in 2024 to \$16.40 from \$17.36 in 2023 in IFPA's annual supermarket floral department benchmark study.

The supermarket floral department continues to drive sales for supermarkets. While dollar and unit growth has stabilized from the spike during the pandemic, the department is experiencing dollar sales growth and unit growth according to Circana. This signals that even though consumers are dealing with financial struggles, flowers remain an important part of life.

The floral department reduced its gross margin to 46% and is keeping shrink at 9%. The floral department is 1.3% of store sales, up from 1.2% in 2023.

Average	Average annual floral sales per store**	% growth over prior year**	Floral sales as % of store sales**	Average sq ft.	Sales per sq ft.	Avg dollars per trip**	Gross margin	Labor % of sales	Shrink	Contribution estimate (% of sales)*
Calendar Year ending Sept. 29, 2024	\$72,385	3.2%	1.3%	712	\$102	\$15.74	46%	10%	9%	27%
2023	\$92,194	5.8%	1.2%	762	\$121	\$15.15	48%	12%	9%	27%
2022	\$87,134	4.4%	1.2%	523	\$167	\$15.02	46%	12%	9%	25%
2021	\$83,429	23.7%	1.2%	720	\$116	\$14.32	46%	14%	10%	23%
2020	\$67,450	6.8%	1.0%	-	-	\$11.77	-	-	-	-

*computed as gross margin minus labor costs minus floral shrink

**Circana Data

Methodology

To help you benchmark your supermarket floral department, IFPA incorporates Circana POS data and sends floral buyers an online questionnaire each year. The results are aggregated and reported to our members to help them determine the health of their supermarket floral department. In 2024, 11 supermarket chains, representing over 1500 stores responded to our survey.

Glossary

Average floral transaction – measures the average dollar amount each shopper spends on floral per trip to the supermarket.

Gross margin % – measures the percent of each sales dollar that is required to cover the cost of floral products sold.

Store Labor % – measures the percentage of each sales dollar that is required to cover the cost of store labor.

*computed as gross margin minus labor costs minus produce shrink

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September 2024 Floral Department Supermarket Benchmarks

