Oklahoma's Retail Nursery/Garden Center Industry: Marketing Practices and Sales Strategies

Bulletin B-798 • September 1991
Agricultural Experiment Station
Division of Agricultural Sciences and Natural Resources
Oklahoma State University

Table of Contents

Research Under Project Number OKL02066 of the Oklahoma Agricultural Experiment Station

OKLAHOMA'S RETAIL NURSERY/GARDEN CENTER INDUSTRY: MARKETING PRACTICES AND SALES STRATEGIES

Janet C. Henderson
Assistant Professor, Ornamental Horticulture
Department of Horticulture and Landscape Architecture
Oklahoma State University
Stillwater, OK 74078

Michael A. Schnelle
Assistant Professor, Extension Ornamentals and Floriculture Specialist
Department of Horticulture and Landscape Architecture
Oklahoma State University
Stillwater, OK 74078

Introduction

The ornamentals industry, which includes both greenhouse and nursery enterprises, is one of the fastest growing sectors in U.S. Agriculture. It has been estimated that this sector averaged nearly 10 percent growth per year during the 1980s and more than 12 percent per year during the 1970s (Stegelin, 1991). In 1990, estimated sales by the lawn and garden industry were $49.3 billion nationwide (Brantwood, 1991). The nursery industry is also a significant part of Oklahoma's economy. Sales in the wholesale segment of the industry were estimated to total $75 million in 1989 (Brantwood, 1989). The industry as a whole also supplies a large number of jobs to Oklahomans.

While the size and practices of the Oklahoma wholesale nursery industry have been recently investigated (Henderson and Schatzer, 1991), little information is available to characterize the retail nursery and garden center segment. This survey was initiated to generate data which would help nurserymen and other groups better understand this industry and its unique problems. Data of this type could help those who oversee retail nurseries or garden centers better utilize resources and identify potential market trends. It would also indicate the impact that this industry has on Oklahoma's economy.

Objectives

There were two primary objectives for this study: 1) To determine the size of the Oklahoma retail nursery and garden center industry and 2) To determine trade practices of Oklahoma retail nurseries and garden centers.

Procedure

Surveys were mailed to 100 retail nurseries or garden centers listed in the Oklahoma Certified Greenhouse and Nursery Directory (1990) during November of 1990. Nursery and garden center representatives were asked to respond in previously addressed, postage paid envelopes. A total of 35 (35%) establishments responded to the survey; however, not all representatives responded to every question.

Information requested from nursery managers included general characteristics of their nursery or garden center relating to business organization, employee numbers and computerization of various operations. The types of products sold, sales methods and limitations on sales were important in characterizing the industry as a whole. Trade characteristics were investigated through questions about sources of nursery stock sold in Oklahoma, pricing information and advertising techniques.

General Characteristics

Retail nurseries and garden centers were randomly chosen for this survey. No distinction was made based on plant species sold, or method of packaging (field-grown vs. container plants). In the nursery industry, return variability depends on species and plant size; therefore, sales and marketing information was based on annual sales by category: Less than \$100,000, \$100,000 to \$499,999, \$500,000 to \$999,999, \$1,000,000 to \$1,999,999, and \$2,000,000 or more. Of those nurseries who responded to the question concerning sales, 75 percent indicated total sales ranging from \$100,000 to \$1,000,000 (Table 1). The total sales for all nurseries surveyed were less than \$20 million.

Age of Firms

Of the 35 nurseries which responded to the survey, 17 were established during or after 1980. Ten nurseries were established between 1960 and 1979 and eight were established prior to 1960.

Table 1. Gross sales by Oklahoma nursery producers, 1989.

Gross sales	Number of respondents
Less than $100,000	5
$100,000 to $499,999	15
$500,000 to $999,999	18
$1,000,000 to $1,999,999	3
$2,000,000 or greater	3

Business Organization

Sixty percent of responding nurseries listed their business organization as a corporation. The remaining 40 percent were sole proprietorships except for one partnership.

Branch Outlets

Thirty-one percent of the respondents indicated that their business operated more than one nursery.

Professional Organizations

All of the nurseries responding were members of the Oklahoma State Nurserymen's Association (Table 2). More corporations than sole proprietorships also held memberships with the American Association of Nurserymen. The Oklahoma Certified Nurseryman program was considered beneficial by a large majority of respondents (80.6%). The purpose of certification is to recognize and upgrade the image of individuals who are certified. Nursery clientele are likely to have greater confidence in an Oklahoma Certified Nurseryman due to their high level of knowledge and professionalism. The primary reasons given for

Table 2. Organizations to which Oklahoma nursery and garden center employees belong.

Organization	Percent of respondents (corporation)	Percent of respondents (proprietorship)
Oklahoma State Nurserymen's Association (OSNA)	100.0	100.0
American Association of Nurserymen (AAN)	42.8	23.1
Oklahoma Greenhouse Growers' Association (OGGA)	19.1	15.4
Professional Plant Grower's Association (PPGA)	0.0	7.7
American Landscape Contractor's Association (ALCA)	0.0	7.7
Southern Nurserymen's Association (SNA)	4.7	0.0

supporting this program were that it projects professionalism and lends credibility to the industry. Those indicating that the Oklahoma Certified Nurseryman program might not be beneficial anticipated problems primarily for smaller businesses. The limited number of permanent employees limits the expansive potential for certified nurserymen. Consumer questions would tie up time which might be used for other responsibilities. Another problem cited was the lack of consumer awareness of the Oklahoma Certified Nurseryman program. Greater publicity could promote awareness and provide incentive for certification.

Trade magazines

More than half of the firms surveyed subscribed to American Nurseryman and/or Nursery Manager (Table 3). Grower Talks was also received by a large number of nurseries, while other magazines received less readership.

Table 3. Trade magazine subscriptions from Oklahoma nurseries and garden centers.

Trade magazine	Number of firms subscribing
Nursery Manager	21
American Nurseryman	18
Grower Talks	15
Nursery Business	10
Greenhouse Grower	9
Grounds' Maintenance	7
Greenhouse Manager	6
Landscape Maintenance	6

Other magazines which were listed by respondents included Texas Nurseryman, Horticulture, Landscape & Irrigation, Lawn and Garden Retailer, and The Landscape Architect.

Nursery Labor

Generally, those firms which were incorporated had more temporary and permanent employees. Corporations averaged 16 permanent and 11 temporary employees, while proprietorships averaged four permanent and three temporary employees.

Computerization

The availability and flexibility of personal computers in recent years have allowed for more widespread use. Of the nurseries surveyed, more than one-third indicated that computers were used in word processing and accounting (Table 4). A greater percentage of corporations than sole proprietorships had various functions computerized.

Table 4. Percentage of firms with various functions currently computerized or with computerization planned within 5 years. Data are categorized as a percentage of all respondents or by corporation or sole proprietorship.

Function	Percent currently computerized			Percent with computerization planned within within 5 years		
	All Businesses	Corporations	Sole Proprietorships	All Businesses	Corporations	Sole Proprietorships
Word processing	40.6	52.6	23.1	28.1	28.6	31.5
Accounting	37.5	47.4	23.1	37.5	47.9	23.1
Inventory	12.5	15.7	7.7	37.5	47.4	23.1
Financial investments	15.6	15.7	15.4	0.0	0.0	0.0
Marketing	15.6	21.1	7.7	9.4	5.3	15.4
Communication	9.4	15.8	0.0	3.1	5.3	0.0
Work schedule	0.0	0.0	0.0	15.6	21.1	7.7
Sign making	15.6	21.1	7.7	18.8	31.6	0.0
Environmental control	3.1	5.3	0.0	6.2	10.5	0.0
Crop scheduling	0.0	0.0	0.0	6.2	10.5	0.0
Other	3.1	5.3	0.0	5.7	9.5	0.0

Competition

Chain stores and other nurseries or garden centers were most often cited as competitors. Many respondents commented that leisure activities which require discretionary time and money were important competitors, since people chose those activities over gardening or landscaping. Others indicated that "fly-by-night" installation firms and wholesale nurseries took some of their customers. There was concern that retailers were unable to compete with wholesalers who offered their products to consumers at lower prices.

Oklahoma State University's Role

About half of the respondents indicated that OSU could best help their business by providing training seminars for employees and offering laboratory services such as soil testing. Seminars centering on business practices and marketing were suggested for employee training. A few nurseries indicated that on-site visits would be beneficial, but others stated that personnel from the OSU Cooperative Extension Service already provide most of their help and have been available for customer question and answer periods and in-store seminars.

Marketing Practices

Types of Plants Sold

Retail nurseries and garden centers commonly carry a wide variety of plants. To allow comparisons, sales were separated into 10 plant classes and five sales percentage classes (Table 5). Most firms were diverse in the types of plants which they carried. Very few firms listed more than 25 percent of their inventory in any one of the plant categories.

In addition to the variety of plants provided, several choices of root packaging systems are available (Table 6). Almost all of the firms indicated that they sold balled and burlapped and/or containerized plants, as well as plants in small pots and flats. Of those nurseries which sold over half of their stock from one root category, plants in containers seemed to be the method of choice.

Sales Considerations

Managers were asked to list common compliments and complaints that they hear from customers. High quality plants was the most common

Table 5. Sales distribution by plant category of Oklahoma nurseries and garden centers, 1990.

	Percent of sales in plant category				
Plant Category	0%[a]	1-25%	26-50%	51-75%	76-100%
	-----------------	-Percent of Nurseries-	-----------------		
Deciduous shade and flowering trees	6.2	75.0	15.6	0.0	3.1
Deciduous shrubs	6.2	90.6	3.1	0.0	0.0
Broad-leaved evergreen shrubs	12.5	62.5	25.0	0.0	0.0
Narrow-leaved evergreen shrubs	15.6	81.2	0.0	3.1	0.0
Evergreen trees	21.9	78.1	0.0	0.0	0.0
Vines and ground covers	15.6	84.4	0.0	0.0	0.0
Roses	21.9	78.1	0.0	0.0	0.0
Herbaceous perennials	21.9	78.1	0.0	0.0	0.0
Fruits and vegetables	37.5	62.5	0.0	0.0	0.0
Annual flowers	9.4	78.1	6.2	6.2	0.0

[a]0% indicates that the indicated plant category was not sold by the percent of nurseries listed.

Table 6. Percentage of nursery sales in various root packaging categories, 1990.

	Percent of plants sold in category				
Category	0%[a]	1-25%	26-50%	51-75%	76-100%
	----------------Percent of Nurseries----------------				
Bare root	58.8	41.1	0.0	0.0	0.0
Balled & potted	67.6	29.4	2.9	0.0	0.0
Balled & burlapped	17.6	64.7	14.7	0.0	2.9
Processed balled	85.3	14.7	0.0	0.0	0.0
Container	5.9	8.8	44.1	32.4	8.8
Field grow bag	73.5	23.5	0.0	2.9	0.0
Small pots & flats	8.8	52.9	26.5	5.9	5.9

[a]0% indicates that the indicated root packaging category was not sold by the percent of nurseries listed.

compliment for over 90 percent of the businesses (Table 7). More than 75 percent of the businesses also listed helpful employees as one of their key assets. Customer complaints were categorized by service and plant material. Unfriendly help and lack of prompt service were listed by a high percentage of firms as the most common complaints related to service (Table 8). High prices and poor quality were the most common problems related to plant material (Table 9).

Overall, approximately 73 percent of sales were done with repeat customers, indicating that most firms have established a clientele which regularly purchases plants and related supplies.

Table 7. The most common customer compliments concerning the nursery business.

Customer compliments	Percent of firms
Quality of plants	91.4
Helpful employees	77.1
Variety of plants	60.0
Clean well-organized facility	48.6
Variety of hardgoods	25.7

Table 8. The most important customer complaints related to service.

Customer complaints	Percent of firms
Unfriendly help	91.4
Lack of prompt service	71.4
Inconvenient layout	22.8
Inability to fill large orders	11.4
Lack of knowledgeable help	8.6
Lack of product variety	5.7

Table 9. The most important customer complaints related to plant material.

Customer complaints	Percent of firms
Generally poor quality	91.4
Price	71.4
Lack of selection	22.8
Mislabelled	11.4
Insects	8.6
Disease	5.7

Limitations to Expansion

Many factors limit expansion of firms. The surveyed nurseries and garden centers were asked to rank several factors as limiting to expansion on a scale of 1 to 5 with 1 being the most limiting (Tables 10 and 11). The responses varied depending on whether the business was organized as a corporation or a single proprietorship. Corporations cited the ability to hire and develop competent management, market demand, and capital as the factors most limiting to expansion (Table 10). In contrast, sole proprietorships listed capital as the primary limiting factor to expansion (Table 11). Over half of the sole proprietorships also listed labor needs and taxes as limiting to expansion.

Trade Shows

While trade shows are one source for booking nursery stock, only 21.7 percent of the surveyed firms utilized this method. Personnel from surveyed firms attended an average of two to three trade shows each year. The most common nursery trade shows attended were those associated with the Oklahoma State Nurserymen's Association, Oklahoma Greenhouse Growers' Association, and Texas Association of Nurserymen.

Table 10. Percentage of Oklahoma firms organized as corporations which ranked various factors as most limiting to expansion potential, 1990. Factors were ranked from 1 to 5 with 1 as the most limiting factor.

Limiting factor	Rank 1	2	3	4	5	Not a factor
Water Supply	0.0	0.0	0.0	0.0	0.0	100.0
Land	14.3	4.8	0.0	9.5	4.8	66.6
Market demand	9.5	9.5	9.5	4.8	23.8	42.9
Labor	4.8	9.5	9.5	4.8	4.8	66.6
Competition	4.8	0.0	19.0	9.5	9.5	57.2
Capital	9.5	19.0	0.0	19.0	4.8	47.7
Environmental regulations	0.0	0.0	0.0	0.0	0.0	100.0
Ability to hire/ develop compe- tent management	23.8	14.3	9.5	4.8	4.8	42.8
Own management	14.3	9.5	4.8	9.5	0.0	61.9
Taxes	0.0	0.0	9.5	9.5	9.5	71.5
Economic status of clientele	4.8	14.3	14.3	9.5	0.0	57.1

Table 11. Percentage of Oklahoma firms which are sole proprietorships that rank various factors as most limiting to expansion potential, 1990. Factors were ranked from 1 to 5 with 1 as the most important factor.

Limiting factor	Rank 1	2	3	4	5	Not a Factor
Water supply	0.0	7.7	0.0	0.0	0.0	92.3
Land	7.7	15.4	0.0	0.0	0.0	86.9
Market demand	7.7	7.7	0.0	7.7	23.1	53.8
Labor	0.0	23.1	15.4	15.4	7.7	38.4
Competition	7.7	7.7	15.4	0.0	0.0	69.2
Capital	46.1	23.1	23.1	0.0	0.0	7.7
Environmental regulations	0.0	7.7	0.0	0.0	0.0	92.3
Ability to hire/ develop competent management	0.0	0.0	15.4	15.4	7.7	61.5
Own management	0.0	0.0	0.0	0.0	15.4	84.6
Taxes	23.1	7.7	0.0	15.4	0.0	46.2
Economic status of clientele	0.0	0.0	0.0	7.7	7.7	84.6

Product Flow

State of Origin of Nursery Plants

Retail nurseries and garden centers generally purchase their stock from another firm, then resell it to the public. Thirty (85.7%) of the nurseries surveyed indicated that some of their nursery stock was purchased in Oklahoma (Table 12). An average of 56 percent of the inventory of these nurseries was from Oklahoma sources. Texas was also a significant supplier since 25 respondents (71.4%) purchased about one-fourth of their stock from Texas sources. Oregon and California were other important states of origin.

Monthly Sales Patterns

The nursery and garden center industry is seasonal in Oklahoma since inclement weather limits the active growing season of most plants. Sales patterns will depend not only on the growing season, but also on the weather conditions during that season. Consumers are less likely to purchase plants and supplies during rainy or extremely hot weather. For these reasons, yearly sales patterns will vary slightly from year to year. During 1990, April, May and June were the peak sales months (Fig. 1). This pattern is fairly typical, since spring is generally considered a time when most plants can be planted without concern for cold damage.

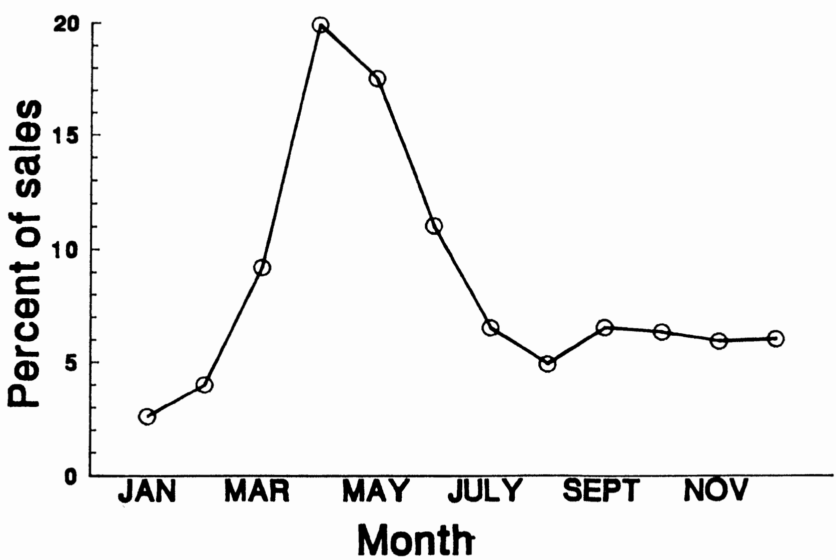


Fig. 1. Average percent of nursery stock sold monthly in Oklahoma, 1990.

Table 12. Origin of nursery stock sold by Oklahoma retail nurseries, 1990.

State of Origin	Number of Respondents	Percent of gross sales[a]
Oklahoma	30	56.0
Texas	25	24.7
South Carolina	1	20.0
Oregon	17	15.1
California	20	13.8
Alabama	6	12.7
Washington	2	11.0
Louisiana	5	10.0
Kansas	5	9.0
Florida	5	8.6
Missouri	4	7.5
Ohio	1	6.0
Tennessee	5	5.8
Michigan	1	5.0
Nevada	1	5.0
Illinois	2	1.5

[a]Average percent of gross sales for respondents reporting state as an origin of nursery stock.

Price Determination

Most firms cited cost of plants or production as the most important factor in their determination of price (Table 13). Market demand, prices of other retailers, grade of plants, and costs of goods were also important in price determinations.

Table 13. Percentage of Oklahoma firms ranking various factors as most important in price determination, 1990. Factors were ranked from 1 to 5 with 1 as the most important factor.

Pricing factor	Rank 1	2	3	4	5	Not a factor
Cost of plants or production	59.4	12.5	3.1	8.6	9.4	15.6
Market demand	6.2	12.5	12.5	18.8	15.6	34.4
Availability of plants	0.0	12.5	12.5	9.4	15.6	50.0
Time of year	0.0	3.1	3.1	3.1	3.1	87.5
Inflation	0.0	3.1	3.1	3.1	6.2	84.5
Inventory	0.0	3.1	0.0	12.5	9.4	75.0
Comparison to other retailers	9.4	6.2	15.6	0.0	31.2	37.6
Based on last year's price	0.0	12.5	9.4	6.2	6.2	65.7
Grade of plants	3.1	12.5	21.9	25.0	3.1	34.4
Cost of goods	18.8	25.0	12.5	6.2	0.0	37.5

An average of 78 percent of sales were completed at the nurseries' printed price. About one-third of the firms provided volume discounts. The discount generally increased with increasing purchase quantities. Some firms also gave discounts to landscapers, other dealers and occasionally to institutions or churches. One firm indicated that one day each week is designated as a discount day and all sales are made at a 10 percent discount.

Customer Limitations

Many responses were received concerning greatest limitations to increasing patronage. Some of the most common included limited space for parking and display area, limited numbers of personnel with a limited labor pool, limited funds to pay employees and keep the business going, population size, and local economic conditions. Several respondents pointed out their product is considered a luxury rather than a necessity, so potential customers may choose to purchase necessities or other luxury items. Public education about the value of landscaping was cited as one solution to this problem.

Advertising

The average allocation to advertising was about 4.5 percent of sales, but amounts ranged from 0 to 15 percent of sales. Those firms which furnished dollar figures averaged about $18,000 per year in their advertising budget. Newspapers were the most commonly used advertising medium reported, with an average of 60 percent of the advertising budget allocated to this medium (Table 14). Most of the firms also used the Yellow Pages for advertising, with 24 percent of the advertising budgets allocated to this medium.

The seasonality of the retail nursery and garden center industry makes it difficult to determine the proportion of the advertising budget which is dedicated to various products; however, the firms were asked how much of their budget was used for hardgoods, annuals, nursery stock and perennials. Most nurseries spent about the same amount for hardgoods, annuals and nursery stock advertising, but spent much less on advertising of perennials (Table 15).

Sales Methods

Three of the firms indicated that they had salespeople on their payrolls who travel and represent their firms. Most firms, however, rely on customers entering their sales area for completion of a transaction.

Table 14. Percent of advertising budget allocated to various advertising media by Oklahoma nurseries, 1990.

Advertising medium	Number of nurseries	Average percent of advertising budget
Newspaper	26	60.4
Trade shows	4	32.5
Newsletters	9	25.1
Catalogs	5	24.2
Yellow pages	27	23.5
Billboards	3	20.3
Television	5	19.4
Flyers	9	16.2
Radio	10	9.0
Trade journals	1	2.5

Table 15. Percent of advertising space allocated to various products.

Product type	Number of nurseries	Average percent of advertising budget
Nursery stock	26	37.3
Hardgoods	23	33.0
Annuals	23	25.0
Perennials	18	12.7

Summary

The retail nursery and garden center industry is diverse. The nurseries with sales of less than $100,000 were approximately evenly split between corporations and sole proprietorships as the ownership organization. Most of the firms with sales greater than $100,000 were corporations.

Most Oklahoma nurseries and garden centers have broad inventories. Only rarely did one category of plant (deciduous trees, evergreen trees, narrow-leaved evergreen shrubs, etc.) make up more than 25 percent of a firm's inventory. Those plants that were sold, however, were either sold in containers or balled and burlapped most of the time. The majority of plants sold came from Oklahoma sources; however, Texas was also a large plant supplier. Most nurseries and garden centers set prices based on cost of plants or production and cost of hardgoods.

The greatest limitation to expansion depended on the type of ownership of the firm. Corporations were limited primarily by ability to hire and develop competent management, market demand, and capital, while sole proprietorships were most limited by availability of capital.

Oklahoma has a diverse and healthy nursery industry. Retail nurseries and garden centers play a significant role in Oklahoma's economy as they meet consumer demand for an environment which is aesthetically pleasing, yet functional.

References

Brantwood Horticultural Research Division. 1989. 1989 Nursery Business 100 Report, 10th Annual Ranking of America's Largest Growers. Brantwood Publications, Clearwater, Florida.

Brantwood Horticultural Research Division. 1991. 1991 Nursery Business Retailer '100', 7th Annual Ranking of America's Largest Nursery Retailers. Nursery Business Retailer 36(2):31-38.

Henderson, J.C. and R.J. Schatzer. 1991. Oklahoma's Wholesale Nursery Industry, Production Practices and Trade Flows. Bulletin B-794. Agric. Expt. Sta., Div. of Agric., Oklahoma State University.

Oklahoma Department of Agriculture. 1990. Oklahoma Certified Greenhouse and Nursery Directory, Plant Industries Division, Oklahoma City, Oklahoma.

Stegelin, F. 1991. Floriculture and Nursery Trade Prospects, p. 1-4. In: Hints & Facts, Greenhouse & Nursery Production & Sales. Univ. Kentucky Coll. of Ag. Coop. Ext. Serv. Bul. March 1991.

APPENDIX

Oklahoma Nursery Industry Survey

Dear Nursery Manager:

Your nursery operation is part of an ever-changing industry that has experienced considerable market growth and economic change during the past decade. Currently the nursery industry in Oklahoma has little information on their size and market trends. This information is vital as we look to the future of the industry and attempt to meet needs as they develop. Basic marketing data, including information about your firm, are needed to permit analysis of recent trends and structural changes that impact the relative competitive position of retailers across the state. This market analysis, along with information from a previously conducted survey of the wholesale nursery producers, should allow you as a nursery manager to anticipate and initiate adjustments in your long-range planning programs, and enhance your firm's marketing strategy and survivability. Your input is needed for an accurate representation of the industry, both as we evaluate ourselves, and as we attempt to gain respect for our needs.

Please complete and return this research survey. Postage has been prepaid, and your completed questionnaire is vital to the success of this study. *All of the individual responses to this survey will be kept strictly confidential.* The record number printed on each questionnaire will be used only to determine those nurseries which have returned the questionnaire so that a copy of the survey analysis including averages and summary statistics can be distributed to participants. If you have questions or concerns about the survey, please give us a call at (405) 744-5414.

Your help and cooperation are greatly appreciated!

Janet C. Henderson
Assistant Professor
Ornamental Horticulture

Michael A. Schnelle
Assistant Professor
Extension Ornamental
Floriculture Specialist

This survey is supported by the Oklahoma State Nurserymen's Association.

NURSERY INDUSTRY SURVEY

General Information

1. In what year was your firm established? ______________

2. What form of business organization describes your nursery?

_______Proprietorship
_______Partnership
_______Corporation (type of corporation) ______________
_______Other (please specify) _______________________

3. Are you a member of the following organizations?

_______Oklahoma State Nurserymen's Association (OSNA)
_______American Association of Nurserymen (AAN)
_______Southern Nurserymen's Association (SNA)
_______Professional Plant Growers Association (PPGA)
_______American Landscape Contractors Association (ALCA)
_______Oklahoma Greenhouse Grower's Association (OGGA)
_______Other (specify) _____________________________

4. Do you think the Oklahoma Certified Nurseryman program could be beneficial to your business?

Yes____ No____

Why?____

____

____

5. Which trade magazines do you subscribe to?

_______American Nurseryman
_______Nursery Manager
_______Nursery Business
_______Grower Talks
_______Greenhouse Grower
_______Grounds' Maintenance
_______Greenhouse Manager
_______Landscape Maintenance
_______Other(specify)______________________________

6. Does your business operate more than one nursery?

Yes____ No____

If yes, what percentage of total sales is from each location?

Site	**Percent**
_________	_________%
_________	_________%
_________	_________%
_________	_________%

7. What functions of your firm are computerized?

Function	**Computerized (check, if yes)**	**Planned within next five years**
Word processing	____________	____________
Accounting	____________	____________
Inventory	____________	____________
Financial		
Investments	____________	____________
Marketing	____________	____________
Communications	____________	____________
Work schedules	____________	____________
Sign making	____________	____________
Environmental control (Irrigation, etc.)	____________	____________
Crop scheduling	____________	____________
Other	____________	____________

8. How many people does your firm employ at this location?

Permanent employees __________

Temporary employees __________(average number)

9. Do you hold in-house seminars for

_______Customers?

_______Employees?

10. Which of the following types of businesses do you feel is your biggest competitor?

______Chain stores
______Supermarkets
______Nurseries/garden centers
______Roadside stands
______Mail order firms
______Other (specify) ______________________

11. How do you feel that Oklahoma State University could best help your business?

_______Training seminars for employees
_______Laboratory services (soil testing, etc.)
_______On-site visits
_______Assistance in developing coops
_______Other, specify ______________________________

Products

12. What percentage of your annual sales are in these plant categories?

________% Deciduous shade and flowering trees
________% Deciduous shrubs
________% Broad-leaved evergreen shrubs
________% Narrow-leaved evergreen shrubs
________% Evergreen trees
________% Vines and ground covers
________% Roses
________% Herbaceous perennials
________% Fruits and vegetables
________% Annual Flowers
100% Total

13. Considering all plants sold by your firm, what percentage of your sales are in these root/media holding categories?

Sales	**Method**
_____%	Bare root
_____%	Balled and potted
_____%	Balled and burlapped
_____%	Processed balled
_____%	Container
_____%	Field grow bag
_____%	Flats, packs and small pots
100%	Total

Sales Considerations

14. What are the most common compliments from your customers concerning your business?

_______Quality of plants
______ Variety of hardgoods
_______Variety of plants
______ Helpful employees
_______Clean, well-organized facility
_______Other (specify)________________________________

15. What are your most important customer complaints related to service?

_____Lack of knowledgeable help
_____Inability to fill large orders
_____Lack of product variety
_____Lack of prompt service
_____Unfriendly help
_____Inconvenient layout (difficult to find products)
_____Other

16. What are your most important customer complaints related to plant material?

_____Insects
_____Mislabelled
_____Disease
_____Price
_____Generally poor quality
_____Lack of selection
_____Other(specify)______________________________

17. Approximately what percentage of your sales are done with repeat customers? ______%

18. Identify the five factors that most limit the expansion potential of your firm. Rank in order of 1 through 5, with 1 being the most important.

_____Water supply
_____Land (parking, expansion, etc.)
_____Market demand
_____Labor
_____Competition
_____Capital
_____Environmental regulations
_____Ability to hire/develop competent management
_____Own management
_____Taxes
_____Economic status of clientele
_____Other (specify)______________________________

19. What percentage of your stock is booked at trade shows? ________________%

20. How many trade shows did you attend last year? ____________

21. Please specify which trade shows you attend regularly.

____

____

____

Product Flow

22. For purchases of nursery stock, what are the top six origins by state?

State	**Percentage of purchases**
__________	_______%
__________	_______%
__________	_______%
__________	_______%
__________	_______%
__________	_______%

23. What percentage of total annual sales occur during each month?

_____% January
_____% February
_____% March
_____% April
_____% May
_____% June
_____% July
_____% August
_____% September
_____% October
_____% November
_____% December
100% Total

Price Determination

24. Identify by rank the five most important factors you use to determine prices. Rank in order of 1 through 5, with 1 being the most important.

_____Costs of plants or production
_____Market demand
_____Availability of plants
_____Time of year
_____Inflation
_____Based on inventory
_____Comparison to other retailers
_____Based on last year's price
_____By grade of plants
_____Cost of goods
_____Other (please specify)______________________________

25. What percentage of your sales are at the printed price value? _____%

If you give quantity discounts, please identify quantity and discount amounts.

Minimum volume	Discount available
______________	__________________
______________	__________________
______________	__________________

26. What do you see as the greatest limitation in increasing your number of customers?

____

____

Advertising

27. What dollar amount, or percentage of sales, do you annually allocate to advertising?
$_____________ or ___________________%

28. What percentage of your advertising budget is for:

_____% Yellow pages
_____% Trade journals
_____% Billboards
_____% Catalogs
_____% Radio
_____% Newsletters
_____% Trade shows
_____% Fliers
_____% Newspapers
_____% Television
_____% Other, please specify ______________________________

29. What percentage of your advertising space is given to:

_____% Hardgoods
_____% Annuals
_____% Nursery stock
_____% Perennials

Sales

30. Do you have salespeople on your payroll that travel and represent your firm?

____Yes ____No

31. In round numbers, what was the value of gross sales from your nursery in 1989 or your most recently completed fiscal year? Please check the appropriate category.

____Less than $100,000
____$100,000 - $499,999
____$500,000 - $999,999
____$1,000,000 - $1,999,999
____$2,000,000 - $2,999,999
____$3,000,000 - $3,999,999
____$4,000,000 - $4,999,999
____Greater than $5,000,000 (please specify the appropriate amount) ______________.

Survey Evaluation

32. Do you feel this survey was fair and comprehensive?

____Yes ____No

Why? ____

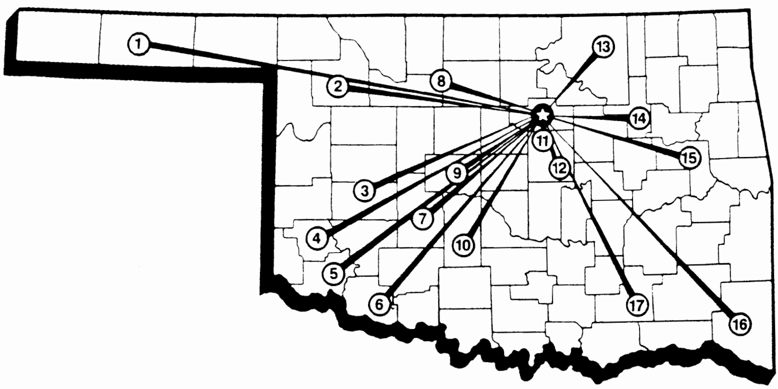
____

____

THE OKLAHOMA

AGRICULTURAL EXPERIMENT STATION

System Covers the State



✪ **Main Station – *Stillwater and Lake Carl Blackwell***

1. **Panhandle Research Station – *Goodwell***
2. **Southern Great Plains Field Station – *Woodward***
3. **Marvin Klemme Range Research Station – *Bessie***
4. **Sandyland Research Station – *Mangum***
5. **Irrigation Research Station – *Altus***
6. **Southwest Agronomy Research Station – *Tipton***
7. **Caddo Research Station – *Ft. Cobb***
8. **North Central Research Station – *Lahoma***
9. **Forage and Livestock Research Laboratory – *El Reno***
10. **South Central Research Station – *Chickasha***
11. **Agronomy Research Station – *Perkins***
    Fruit Research Station – *Perkins*
12. **Pecan Research Station – *Sparks***
13. **Pawhuska Research Station – *Pawhuska***
14. **Vegetable Research Station – *Bixby***
15. **Eastern Research Station – *Haskell***
16. **Kiamichi Forestry Research Station – *Idabel***
17. **Wes Watkins Agricultural Research and Extension Center – *Lane***

Reports of Oklahoma Agricultural Experiment Station serve people of all ages, socio-economic levels, race, color, sex, religion and national origin. This publication is printed and issued by Oklahoma State University as authorized by the Dean of the Division of Agriculture and has been prepared and distributed at a cost of $553.74 for 675 copies. #1053 0991 CC