

Floral sales continue to grow as a percent of overall supermarket sales!

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

The supermarket floral department continues to drive sales for supermarkets. While dollar and unit growth may have slowed, the department has maintained the growth it achieved during the pandemic. The floral department remains a very profitable department in 2023 with a gross margin of 48%. In addition to maintaining a healthy gross margin, floral departments managed to stabilize their shrink at 9%. The floral department is now 2.03% of store sales. This is the highest percentage of store sales since IFPA began tracking benchmarks.

For most of 2023, dollar floral sales continued to increase while unit sales

decreased in comparison to 2022, until Jun 2023, the last point of sale report before the publication of these benchmarks. Inflation in the floral sector cooled in 2023 and most supermarkets were able to maintain the same average floral transaction as 2022. Although the floral department did not maintain its 5% growth from 2022, it increased its contribution to the overall profitability of the supermarket by 2%.

The average square footage of the floral department increased over 2022 to 762 square feet creating a decrease in sales per square foot.

Average Benchmarks

	Average annual floral sales per store	% growth over prior year	Floral sales as % of store sales	Average sq ft.	Sales per sq ft.	Avg floral trans.	Gross margin	Labor % of sales	Shrink	Contribution estimate (% of sales)*
2023	\$400,000	4.13%	2.03%	762	\$524	\$17.36	48%	12%	9%	27%
2022	\$364,000	4.68%	1.56%	523	\$698	\$17.71	46%	12%	9%	25%
2021	\$342,000	19%	1.18%	720	\$475	\$14.44	46%	14%	10%	23%
2019	\$273,000	6%	1.03%	634	\$431	\$11.25	47%	16%	10%	21%

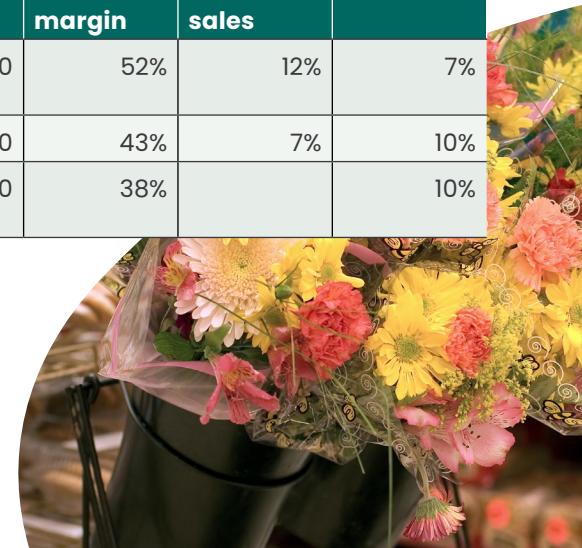
*computed as gross margin minus labor costs minus floral shrink

By Region	Average floral sales per store	% growth over prior year	Floral sales as % of store sales	Average sq ftg.	Sales per sq ft.	Avg floral trans.	Gross margin	Labor % of sales	Shrink
OVERALL	\$400,000	4.13%	2.03%	762	\$524	\$17.36	48%	12%	9%
Mid Atlantic	\$450,000	8.00%	1.40%	1200	\$375	\$17.00	41%	11%	7.5%
Midwest	\$200,000	5.75%	2.50%	1250	\$160	\$29.00	44%	14%	12%
New England	\$350,000	3.50%	1.00%	-		\$10.00	50%		
Pacific	\$362,500	2.00%	2.88%	115	\$3,152	\$18.00	46%	10%	10%
South Atlantic	\$475,000	4.88%	1.61%	338	\$1,405	\$13.00	53%	11%	8%
South Central	\$500,000	5.75%	1.00%	1700	\$294	\$10.00	41%	19%	7%

By Business Type	Average floral sales per store	% growth over prior year	Floral sales as % of store sales	Average sq ftg.	Sales per sq ft.	Avg floral trans.	Gross margin	Labor % of sales	Shrink
Chain Supermarket	\$420,000	4.70%	1.98%	776	\$541	\$15.00	47%	12%	8%
Independent	\$400,000	3.83%	1.80%	450	\$889	\$15.00	44%	7%	8%

By Size	Average floral sales per store	% growth over prior year	Floral sales as % of store sales	Average sq ftg.	Sales per sq ft.	Avg floral trans.	Gross margin	Labor % of sales	Shrink
51-299 STORES	\$450,000	4.00%	1.67%	537	\$838	\$16.71	51%	11%	8%
>300 STORES	\$420,000	5.30%	1.46%	1375	\$305	\$13.82	46%	10%	7%

By Mode	Average floral sales per store	% growth over prior year	Floral sales as % of store sales	Average sq ftg.	Sales per sq ft.	Avg floral trans.	Gross margin	Labor % of sales	Shrink
PRIMARILY FULL SERVICE (75%)	\$464,285	4.23%	1.55%	1110	\$418	\$16.00	52%	12%	7%
MIXED MODE	\$350,000	5.33%	1.67%	850	\$412	\$16.00	43%	7%	10%
PRIMARY SELF SERVICE (75%)	\$366,667	3.83%	3.75%	145	\$2,529	\$12.00	38%		10%



Methodology

To help you benchmark your supermarket floral department, floral buyers are sent 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 2023, 15 supermarket chains, representing over 4300 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.



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AUGUST • 2023 SUPERMARKET FLORAL DEPARTMENT BENCHMARKS

