INTERNATIONAL FRESH PRODUCE ASSOCIATION

2024 Brazil Floral Industry Brand

Who we are:

International Fresh Produce Association (IFPA) is the leading global trade association representing companies in the fresh produce and floral supply chain.

We are here to:

- advocates for members and industry;
- connects individuals and organizations with ideas, data and with each other;
- guides with education, insight, expertise, and solutions.

Floral Industry Branding

In today's fast-paced world, people have many options for gifts and small acts of self indulgence. But where will they spend their dollars tomorrow? The floral industry's brand is vital in capturing consumers' attention, preference, and loyalty.

Why it matters: Understanding our brand is crucial. By resonating with consumers, we can increase our market share and compete against other products.

The big picture: A brand is shaped by consumer perception and every aspect of the industry. And to win the fight, floral must be ready to compete with confections, beauty products, home décor, and much more.

The bottom line: Consumer feedback helps us understand brand perception and increases our ability to compete.

Understanding Brand Perception

Brand perception is crucial in developing relationships with customers and winning their loyalty.

Why it matters: Consumers always consider their emotional connection when choosing between items that fulfil a similar purpose whether it be hunger in the produce category or indulgence in the floral category.

The big picture: Understanding the personality and attributes of our industries helps us connect with consumers.

The bottom line: Leverage industry personality and attributes to help shape your brand perception with consumers.

A guide for marketers

What this research tell us:

- While the reputation of the floral industry is strong, it can be strengthened in marketing by pairing it with the produce industry.
- The floral industry is on par with the meat industry and lags behind all other benchmarked industries. It can benefit by demonstrating innovations in breeding and growing as well as showing flowers in modern settings.
- Floral marketing can build off the industry's personality of being friendly and trustworthy– "flowers should be everywhere people gather."
- There are opportunities to build on being innovative, unique products and product worth paying extra for. These matter to consumers, yet the floral industry is not leveraging these attributes.
- To attract the best talent, is important to market the floral industry as an opportunity to be part of an innovative community.
- While the wellness movement is an opportunity for the floral industry, consumers are not yet equating flowers with mental wellness. This means the floral industry must make the connection for consumers

Methodology and Sample Composition

The study was conducted using an online methodology, with all fieldwork conducted on the Russell Research survey website. A total of 4,533 interviews were conducted for the study from February 9 – 28, 2024. Participants were sourced from leading online research panels.

To qualify for study inclusion, respondents were screened to meet the following qualifications:

- Age 18 - 78
- Primary or shared responsibility for purchasing groceries for household
- Purchase groceries once a month or more often
- Typically purchase groceries at a supermarket/grocery store or online retailer
- Reside within the United States, Brazil, the United Kingdom, Germany, China or Australia
- Does not work in a competitive industry

All research was carried out in compliance with all relevant legal and ethical requirements within the United States and in compliance with ISO 20252:2019.

Floral Brazil Summary

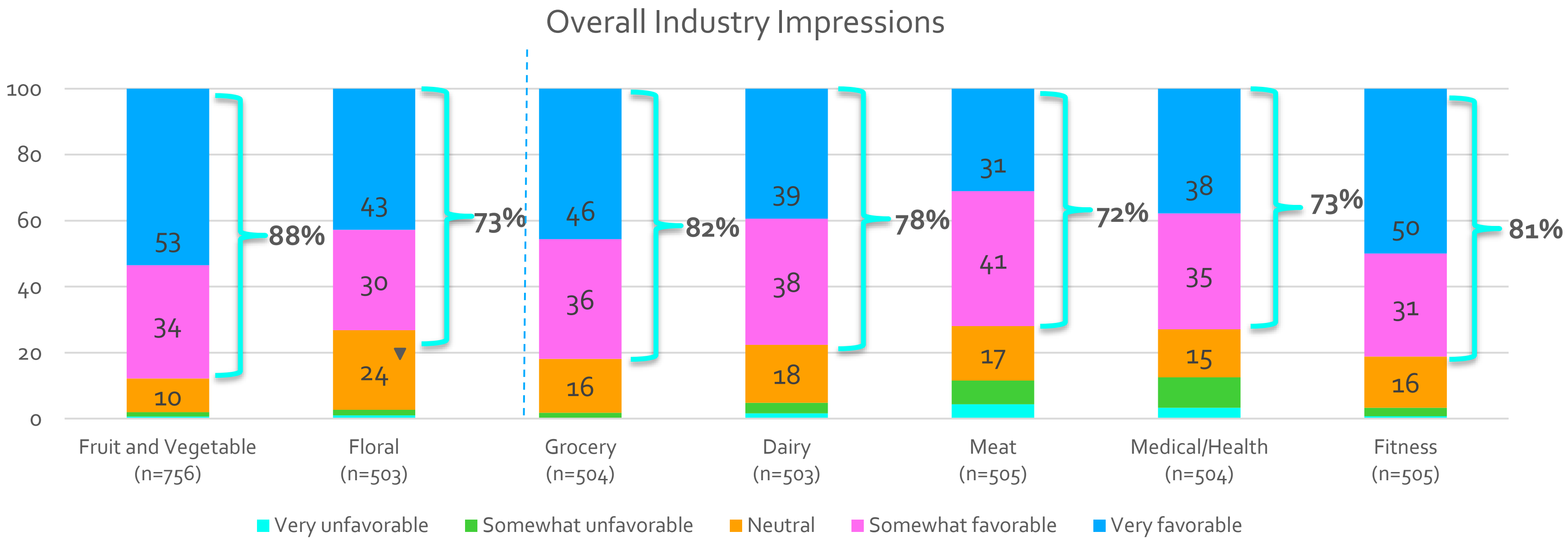
- Consumer impressions of the *Brazilian floral industry* lag behind most of the benchmark industries.
  - 73% respondents have a <u>favorable</u> impression
  - 60% of respondents believe the *floral industry* is *'on its way up'* or 'improving.' These momentum ratings are at parity with the meat industry.
  - The floral industry has a strong reputation.

Critically important for the floral Industry	**Floral Industry Personality Traits**
• Is trustworthy • Creates products worth paying extra for • Is innovative	• Friendly • Trustworthy • Exotic • Classic

- Relative importance analysis indicates a need to communicate the wise use of technology

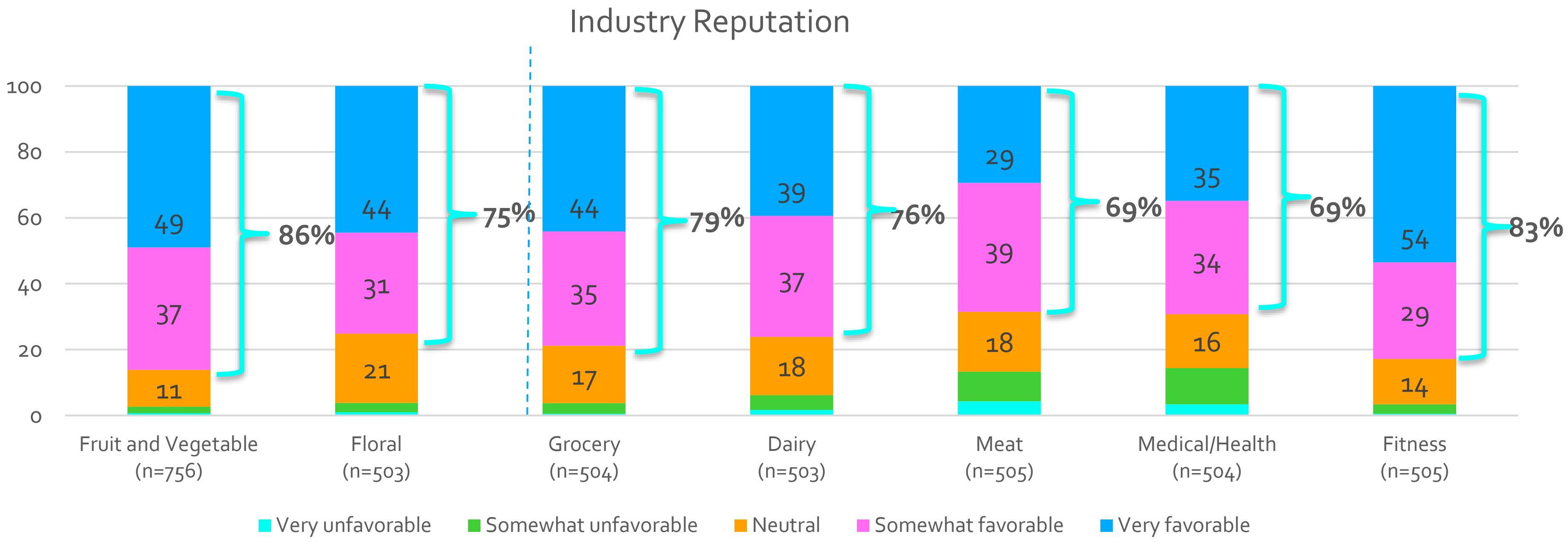
Most Brazilian consumers have a favorable impression of the floral industry although it lags behind produce, grocery, fitness and dairy.

TIP: The floral industry can use produce and grocery in messaging to receive a lift from their halo.



The Brazilian floral industry has a favorable reputation although it lags behind produce, fitness, grocery and dairy.

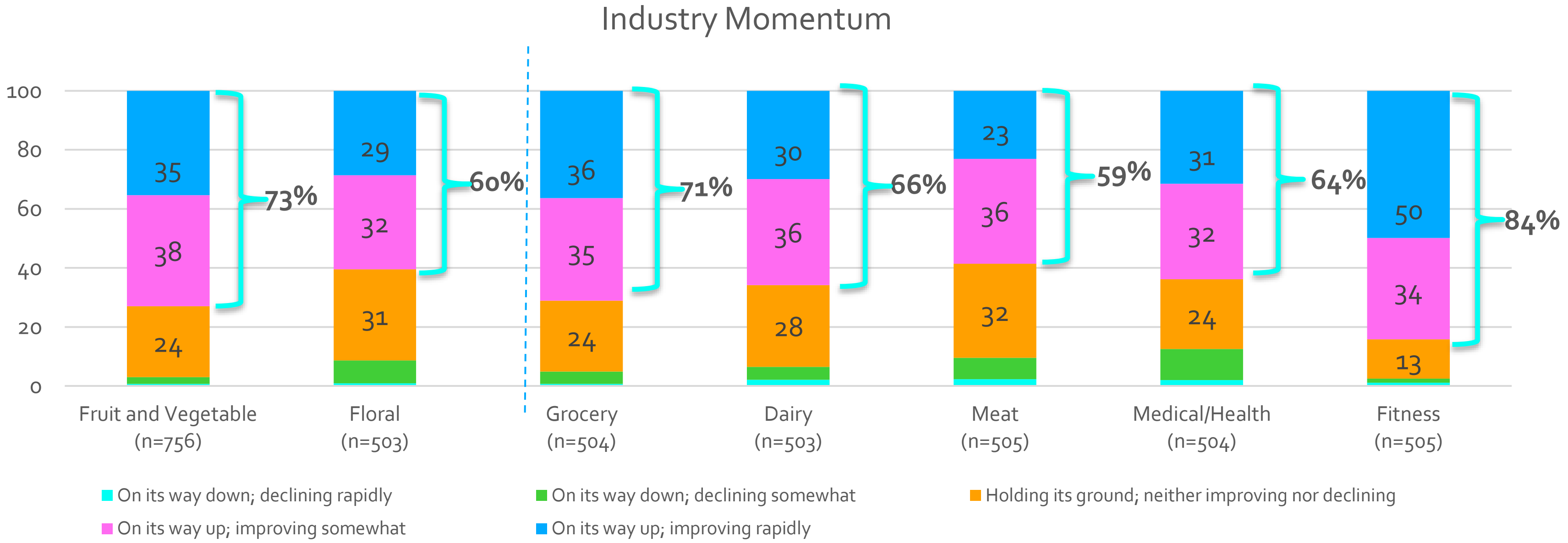
TIP: The floral industry can use produce and grocery in messaging to receive a lift from their halo.



Base: Total Brazil Respondents Evaluating Industry
6. Which of the following best describes what you feel is the current **reputation** of the [INSERT INDUSTRY]?

Most Brazilian consumers view the floral industry as on its way up although it lags behind most of the benchmarked industries and is on par with meat.

TIP: This is an opportunity for the floral industry to show its modern, dynamic, and innovative side.



Base: Total Brazil Respondents Evaluating Industry
5. When you think about certain industries, some seem to be on their way up and have a lot going for them, while others don't. Which of these statements best describes how you feel about the [INSERT INDUSTRY]?

Brazilian Floral Industry Drivers

Relative Importance for Floral Industry

Relative Importance

What is it?

It is an extension of regression analysis that allows us to assess which attributes are most important and exactly how much more important one is than another.

The most important factors to Brazilian consumers when evaluating the floral industry are:

- Trustworthy
- Creates products or services worth paying more for
- Innovative.

	Relative Importance	Rank Order
Total Brazil Respondents Evaluating Floral Industry	(503)	
Is trustworthy	10.62	1
Creates products or services worth paying extra for	9.95	2
Is innovative	8.94	3
Uses technology wisely	8.52	4
Offers unique products and experiences	8.15	5
Is mindful of the environment	7.57	6
Adapts quickly to meet the needs of consumers	7.20	7
Is transparent in its production/service methods	6.57	8
Offers affordable options	5.64	9
Makes room for a wide variety of brands	5.55	10
Attracts top talent	5.25	11
Treats employees fairly	4.55	12
Values diversity, equity and inclusion	4.19	13
Promotes individual health	3.27	14
Promotes public health	2.07	15
Helps solve some of society's most pressing problems	1.97	16

Stated vs. Relative Importance – Brazilian Floral Industry

The results of the Relative Importance Analysis are compared to what consumers state is important to them and plotted on a quadrant map. From this map, three important groupings of attributes are defined as follows:

Critically Important

(High Relative / High Stated Importance)

- **These are strong positioning attributes if an industry can deliver in these areas.**
  - ✓ Is trustworthy
  - ✓ Adapts quickly to meet the needs of consumers
  - ✓ Is transparent in its production/service methods
  - ✓ Uses technology wisely
  - ✓ Is mindful of the environment

Hidden Opportunities

(High Relative / Low Stated Importance)

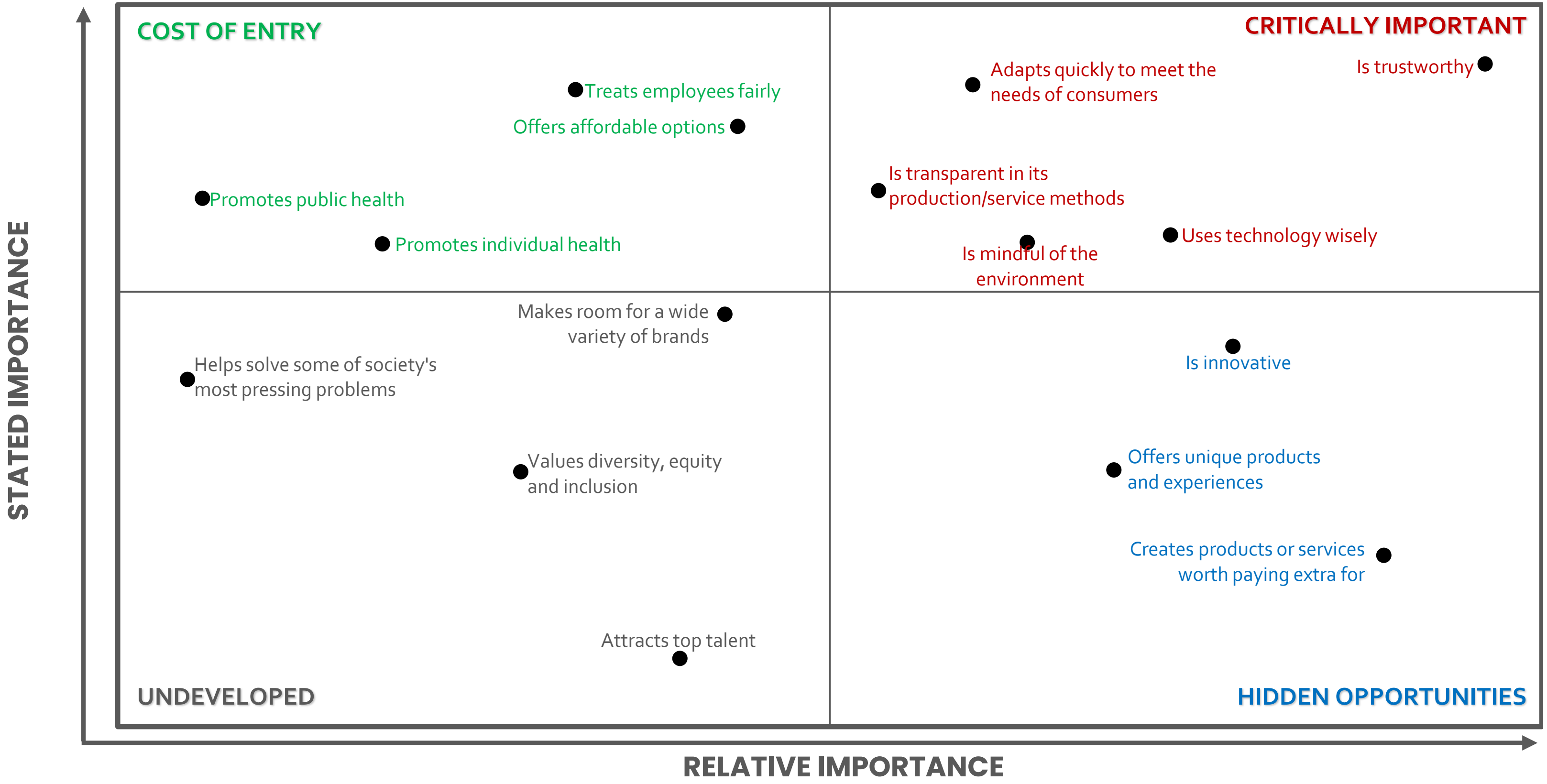
- **These drivers may not be expressed but are important positioning attributes.**
  - ✓ Is innovative
  - ✓ Offers unique products and experiences
  - ✓ Creates products or services worth paying extra for

Cost of Entry

(Low Relative / High Stated Importance)

- **These are important for all category industries to deliver. They are necessary but provide no leverage.**
  - ✓ Treats employees fairly
  - ✓ Offers affordable options
  - ✓ Promotes public health
  - ✓ Promotes individual health

Stated vs. Relative Importance – Brazilian Floral Industry



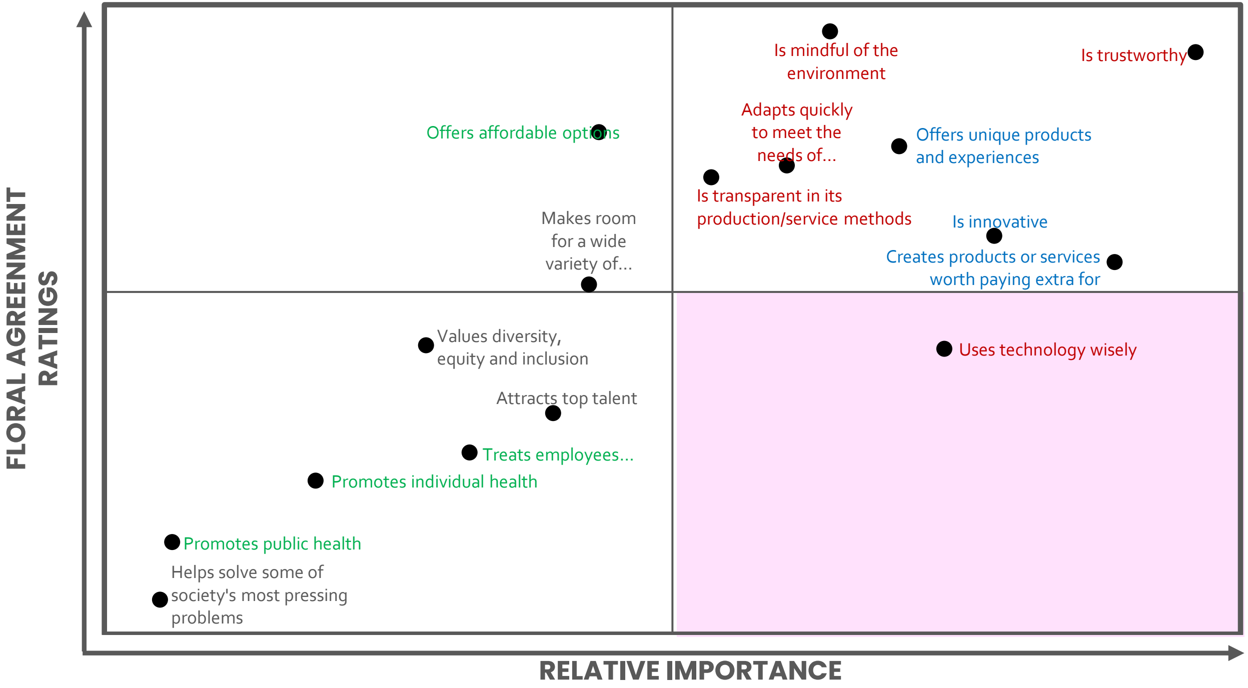
The relative importance of each statement and respondents' agreement that the industry portrays that statement was plotted on this map.

Attributes on the right side are most important to respondents.

Attributes appearing in the lower right quadrant need the greatest attention—they are high in relative importance but rated low for the industry.

It appears 'uses technology wisely' warrants the most attention and development for the Floral industry in Brazil:

Relative Importance vs. Floral Agreement Ratings



Brazilian Floral Industry Personality

AI Chosen Image to Depict Floral Industry

	Fruit and Vegetable	Floral	Grocery	Dairy	Meat	Medical/ Healthcare	Fitness
Total Brazil Respondents Evaluating Industry	(756)	(503)	(504)	(503)	(505)	(504)	(505)
	%	%	%	%	%	%	%
Friendly	62	65	50	45	31	24	53
Trendy	54	35	61	46	44	33	46
Approachable	50	32	52	44	28	27	37
Trustworthy	49	38	44	43	33	45	45
Budget-Conscious	42	16	40	28	22	12	13
Simple	37	27	31	29	21	14	13
Confident	36	31	37	33	27	38	37
Consistent	30	21	34	33	32	33	28
Expert	29	30	29	34	33	58	44
Accepting	27	31	35	23	17	26	35
Modern	27	32	34	37	23	35	56
Classic	22	36	21	26	20	19	11
Honest	22	23	18	18	13	23	19
Fun	17	30	17	12	8	7	40
Exotic	12	37	5	3	8	1	8
Formal	11	16	16	12	17	27	11
Casual	9	19	14	10	8	7	14
Adventurous	8	15	9	8	9	6	32
Outdated	3	3	2	5	7	8	2
Uptight	3	2	3	4	13	20	5
Boring	2	2	2	1	2	7	2

4. Imagine for a moment the [INSERT INDUSTRY] was a person. What types of words and/or descriptions would you use to describe that person? Please select as many or as few adjectives and/or descriptors you'd like.

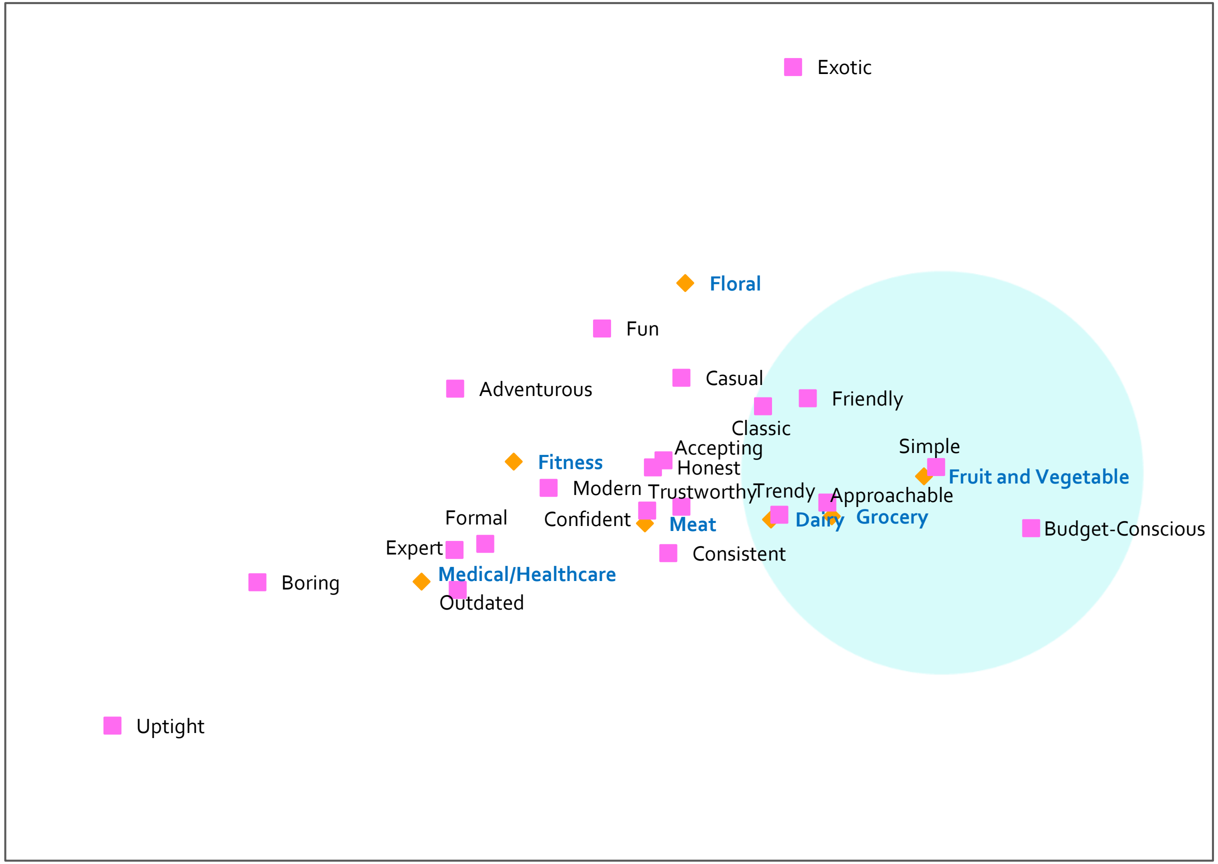
Brazil Industry Personality Correspondence Map

Correspondence analysis

What it is:

A mapping technique that allows us to determine which industry attributes are most differentiating for and which attributes would need to be changed to move industry perceptions closer or farther from another industry.

Industries and attributes that are rated similarly are placed close to each other on the map, while those that are rated differently will appear in a different area of the map.



Floral Industry Findings By Key Segments

Gen Z has less favorable impression of the floral industry than other generations. This is important when trying to attract the best talent.

It is important to market the floral industry as an opportunity to be part of a sustainable, modern, and innovative community.

		Gender		Generation			
	Total Brazil	Male	Female	Gen Z	Millennials	Gen X	Boomers
Total Brazil Respondents Evaluating Floral Industry	(503)	(220)	(282)	(80)	(202)	(171)	(50)
	%	%	%	%	%	%	%
				[Z]	[M]	[X]	[B]
Overall Impression of Industry							
Very Favorable	43	42	44	33	43	48	42
Very/Somewhat Favorable	73	66	80	69	72	76	75
Industry Momentum							
On its way up /Improving rapidly	29	26	30	25	28	25	38
On its way up /Improving rapidly or somewhat	60	58	63	62	59	61	62
Industry Reputation							
Very Favorable	44	41	48	40	43	47	48
Very/Somewhat Favorable	75	70	80	73	75	79	72

Floral Industry Findings By Key Segments

Promoting the power of flowers to boomers is an opportunity.

While Boomers are important floral consumers, they do not have a good understanding of the offerings nor do they understand the wellness benefits of flowers.

There is an opportunity to highlight the innovative nature of the floral industry to attract Gen Z talent.

		Gender		Generation			
	Total Brazil	Male	Female	Gen Z	Millennials	Gen X	Boomers
Total Brazil Respondents Evaluating Floral Industry	(503)	(220)	(282)	(80)	(202)	(171)	(50)
	%	%	%	%	%	%	%
				[Z]	[M]	[X]	[B]
Is mindful of the environment	82	78	85	81	81	84	80
Is trustworthy	81	77	85	82	83	83	73
Offers affordable options	77	76	78	78	77	77	78
Offers unique products and experiences	77	73	80	75	77	80	74
Adapts quickly to meet the needs of consumers	76	72	79	73	78	79	70
Is transparent in its production/service methods	75	70	80	77	75	76	73
Is innovative	73	70	75	64	72	77	75
Creates products or services worth paying extra for	72	67	76	70	75	70	69
Makes room for a wide variety of brands	71	66	74	67	72	74	65
Values diversity, equity and inclusion	68	66	69	64	70	71	62
Uses technology wisely	68	67	69	68	67	70	64
Attracts top talent	65	62	67	61	63	68	68
Treats employees fairly	63	60	66	60	63	70	55
Promotes individual health	62	61	63	64	68	63	46
Promotes public health	59	58	60	60	65	61	43
Helps solve some of society's most pressing problems	57	55	58	57	60	60	43

Floral Industry Findings By Key Segments

There is an opportunity to improve the impression of the floral industry with Millennials who are often in the grocery store seeking a value for the money.

		Gender		Generation			
	Total Brazil	Male	Female	Gen Z	Millennials	Gen X	Boomers
Total Brazil Respondents Evaluating Floral Industry	(503)	(220)	(282)	(80)	(202)	(171)	(50)
	%	%	%	%	%	%	%
				[Z]	[M]	[X]	[B]
Friendly	65	57	72	64	58	71	68
Trustworthy	38	40	36	36	33	40	44
Exotic	37	41	32	34	35	39	39
Classic	36	31	40	39	37	39	26
Trendy	35	38	33	33	31	39	38
Modern	32	28	36	30	31	35	33
Approachable	32	31	33	35	31	33	30
Accepting	31	29	33	32	31	35	26
Confident	31	29	32	26	28	34	34
Fun	30	28	31	33	33	29	24
Expert	30	29	30	24	22	34	42
Simple	27	28	25	30	23	22	36
Honest	23	22	25	29	18	23	28
Consistent	21	22	20	21	15	24	25
Casual	19	21	16	21	18	18	19
Formal	16	16	16	19	16	14	16
Budget-Conscious	16	19	13	16	16	15	16
Adventurous	15	17	12	22	14	12	14
Outdated	3	5	2	5	3	2	6
Boring	2	4	1	4	4	1	2
Uptight	2	0	3	6	2	1	0

Millennials who purchase groceries more times each month are also the most likely to report regular purchases of flowers.

There is an opportunity to increase purchases by Millennials by offering affordable options.

Shopping Habits

	Total	Gender		Generation				Income	
	Total Brazil	Male	Female	Gen Z	Millennials	Gen X	Boomers	R$ 4.000 or Less	R$ 4.001 or More
Total Brazil Respondents	(756)	(333)	(420)	(130)	(301)	(251)	(74)	(343)	(406)
	%	%	%	%	%	%	%	%	%
				[Z]	[M]	[X]	[B]		
Responsibility for Grocery Purchases									
Primarily responsible	71	71	70	52	79	77	65	64	76
Share responsibility	29	29	30	48	21	23	35	36	24
Frequency of Purchasing Groceries									
Several times per week	36	41	31	36	40	34	33	32	40
Once a week	37	36	38	30	38	39	39	33	39
2 to 3 times per month	17	15	20	25	16	16	13	21	14
Once a month	10	8	11	8	7	11	15	13	7
Mean times per month:	5.1	5.4	4.8	5.0	5.3	5.0	4.8	4.7	5.4
Groceries Purchase on a Regular Basis									
Fresh produce (fruits and vegetables)	94	94	94	86	96	97	94	91	97
Beef and/or poultry	92	92	92	91	93	92	91	88	96
Dairy milk	77	78	77	72	81	76	80	73	81
Fresh flowers	10	10	11	14	12	8	6	8	12

Shopping Habits

	Total Brazil	Gender		Generation				Income	
		Male	Female	Gen Z	Millennials	Gen X	Boomers	R$ 4.000 or Less	R$ 4.001 or More
Total Brazil Respondents	(756)	(333)	(420)	(130)	(301)	(251)	(74)	(343)	(406)
	%	%	%	%	%	%	%	%	%
				[Z]	[M]	[X]	[B]		
Typical Grocery Purchase Locations *									
Supermarket/Grocery Store	96	96	95	96	95	96	96	96	95
Mass Merchandiser	51	55	46	46	61	51	35	39	61
Online retailer	32	34	29	33	44	25	18	21	41
Drug Store	22	24	20	26	26	17	17	22	21
Convenience Store	20	25	16	25	33	12	4	16	24
Warehouse Club	15	14	15	16	22	12	4	9	20
Farmer's Market/Farm Store	7	8	7	12	9	6	3	4	10
Dollar Store	2	2	2	3	3	2	0	1	2

* Respondents had to purchase from a supermarket/grocery store and/or from an online retailer to qualify for this study.

Demographic Summary

	Total Brazil	Gender		Generation				Income	
		Male	Female	Gen Z	Millennials	Gen X	Boomers	R$ 4.000 or Less	R$ 4.001 or More
Total Brazil Respondents	(756)	(333)	(420)	(130)	(301)	(251)	(74)	(343)	(406)
	%	%	%	%	%	%	%	%	%
				[Z]	[M]	[X]	[B]		
Gender									
Male	48	100	-	44	46	50	52	44	52
Female	52	-	100	56	54	49	48	55	48
Non-binary	0.3	-	-	0	1	0	0	1	0
Generation									
Gen Z (18 - 26)	19	18	20	100	-	-	-	27	13
Millennials (27 - 42)	34	32	35	-	100	-	-	30	38
Gen X (43 - 58)	29	30	28	-	-	100	-	30	28
Boomers (59 - 78)	18	20	17	-	-	-	100	12	21
Mean Age:	42.2	43.1	41.3	22.8	34.1	50.8	64.0	39.5	44.0
Marital Status									
Married	49	49	49	22	60	55	46	34	61
Not Married	51	51	51	77	40	45	54	65	39
Employment Status									
Employed	75	81	69	77	91	78	38	71	79
Not Employed	25	19	30	23	8	22	62	28	21

Demographic Summary

		Gender		Generation				Income	
	Total Brazil	Male	Female	Gen Z	Millennials	Gen X	Boomers	R$ 4.000 or Less	R$ 4.001 or More
Total Brazil Respondents	(756)	(333)	(420)	(130)	(301)	(251)	(74)	(343)	(406)
	%	%	%	%	%	%	%	%	%
				[Z]	[M]	[X]	[B]		
Education									
Less than high school	19	17	20	24	4	29	25	31	9
High school	41	45	38	55	39	35	42	52	32
College	40	38	41	21	58	37	32	16	59
Median Monthly Household Income:	R$ 5.2K	R$ 5.4K	R$ 5.0K	R$ 3.9K	R$ 5.7K	R$ 5.2K	R$ 5.6K	R$ 2.3K	R$ 7.6K
Area Live In									
São Paulo	32	30	34	31	34	34	25	28	36
Ribeirão Preto	25	23	26	32	20	27	21	32	19
Rio de Janeiro	15	14	17	12	17	17	13	15	16
Belo Horizonte	7	9	6	6	7	7	8	7	7
Porto Alegre	5	4	5	7	3	3	6	3	5
Salvador	4	5	4	5	5	3	4	4	5
Recife	3	4	2	4	3	4	3	3	4
Curitiba	3	4	2	1	4	1	7	4	3
Brasilia	3	4	2	1	5	2	3	4	2
São José dos Campos	1	2	1	0	1	1	6	0	2
São José do Rio Preto	1	1	1	0	1	0	1	0	1
Presidente Prudente	1	1	0	1	0	0	1	0	1
Another Area	25	23	26	32	20	27	21	32	19