ECONOMY AND MARKETING ANALYSIS OF CUT FLOWERS IN HUNGARY

ANALIZA ECONOMICĂ ŞI DE MARKETING A FLORILOR TĂIATE ÎN UNGARIA

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Abstract: *For decades the area dedicated to growing cut flowers has decreased in Hungary. The main reasons are increasing costs of energy and manpower and furthermore, the resettlement of the plant-growing industry to more southerly areas. A slow-down of these processes would be economically beneficial and could boost the production of ornamental plants in Hungary as a consequence. In our study we investigated what factors influence the decisions of the customers. An advantage of the image profile analysis is that individual opinions regarding an object can be representative in certain ways. Image formative factors: values related to the firm, features of the products, price and communication. In our primer study we evaluated the answers of 3250 respondents using a semantic differential scale.*

The main reasons for the decreasing demand for Dianthus caryophyllus in Hungary are the growing variety of cut flowers and the slight of conventional colours. It is usually purchased for funeral occasions. Rosa: In Hungary bouquet-types (orange, coral) and red coloured, fragrant cut flowers with few thorns are preferred. Dendranthema indicum: Despite the high price it is preferred to all other cut flowers at All Soul's Day in Hungary. In this case the price is a less important influencing factor in the purchase decision.

Key words: *image profile, cut flowers, consumers' expectation*

1. INTRODUCTION

People usually gather and develop their knowledge over the course of their lifetime, continuously and in variable quantities, with various content and from different sources. On the basis of the collected pieces of knowledge people develop a personal point of view in connection with their environment, the things around them and any additional knowledge as well.

The standpoints that were developed individually and which pertain to individual objects can be regarded as important as they form an influencing image for the person (Darling et al., 1977). As far as image is concerned, we are not only talking about a set of products or different types of products, but about an exact product as well.

Every image can be formed and influenced. From the point of view of our work the product image is what is important. The manufacturer of a product has to make an effort to obtain an identity that cannot be confused with something else and that is necessitated by the market environment. In communicating the product image one has to seek after continuity, stability and reliability over the long run.

The advantage of an examination of the image profile is that one can discover the construction of the product image as well as the picture that is developing in the minds of the customers (Nótári, 2009a). It also reveals the things which must be done very well. Furthermore, one can analyse in detail what kind of position the characteristics of the product hold in the thoughts of the customer (Czeglédi, 2009). As stated earlier, the growing area of cut flowers has been on the decrease in Hungary and also in Western Europe for decades. The main reasons for the decline are a decrease in the growing areas as a result of the increasing costs for energy and manpower, and furthermore, the resettlement of growing areas to Africa (Alvensladen et al., 1998).

The growing of annual and biannual flowering plants remained in Hungary because the growing of plants demands much work and the finished goods do not stand up to transportation very well as the plants break easily.

2. MATERIAL AND METHOD

2.1. GREENHOUSE DIANTHUS

Greenhouse Dianthus (Dianthus caryopyllus var. "Semperflorens") was one of the main cut flowers in Hungary for many years. It is the eighth most important cut flower in Europe. In our country it takes about the fourth-fifth place in the market. Over the past few years however, the number of sales has decreased by a significant number, first of all because of the change in customer demand. The main reason for the decrease was the increase in the range of cut flowers available. Customers became tired of Dianthus with its traditional colours (red, pink, white) and form. Plant growers started to establish newer fashionable colours (green, terracotta and

special neon colours) late enough. In the mid-nineties the green Dianthus appeared on the market and today green is one of the most important colours, especially in Western Europe. A secondary reason for the decrease is that florists did not do their utmost in either bringing out a new flower arrangement or to try and win back former customers (Schmidt, 2010).

2.2. CUT ROSE

Cut Rose (Rosa taxa) is the most important flower variety in the field of horticulture in Hungary. In the past decade it has met with some important changes. Growing has relocated from the traditional regions and the range of varieties has changed significantly. Similar to what has happened with Dianthus, the growing of cut Roses has also moved to a more southerly region, where it is warmer and sunnier and where energy and manpower costs are less than in Europe. Nowadays for example, 20 per cent of the cut Roses that are sold in Europe are grown in Africa (Lynn, 2008). The growing of Roses in Africa is increasing very quickly, while in Holland it is on the decrease. Roses need plenty of warmth and shine. The Hungarian Rose that is grown in winter is much more expensive than the aestival one. At the same time its quality leaves much to be desired. The appearance of a better quality and less expensive Rose pushed this variety out from cultivation and boosted the purchase of the winter Rose.

2.3. CUT CHRYSANTHEMUM

Cut Chrysanthemum (Dendranthema indicum) is the second-third most important cut flower after the Rose in most countries of Europe. It is used continuously as people like buying it throughout the year. The cut chrysanthemum, similar to the Dianthus and Rose, stands the transportation of great distances and its growing needs require much manual work. Beyond question, Holland is the leading Chrysanthemum growing country in Europe; its market share runs to 80 per cent followed by Italy with a 15 per cent market share. In Hungary, the Chrysanthemum is still regarded by the general public as the All Soul's Day flower. In compliance with it, its main selling season is on All Soul's Day and on the days surrounding it: about 70 per cent of the cut Chrysanthemums and 65-70 per cent of the potted flowers get to the market by the end of October, early November (Honfi, 2009).

3. RESULTS AND DISCUSSION

3.1. MANAGEMENT OF GREENHOUSE DIANTHUS

The respondents indicated that they buy Dianthus for religious purposes nowadays (Fig.1.). For this reason they like it with single-coloured blooms while for illustrious occasions they prefer Dianthus with striped blooms. The length of the flower-stalk and the growing country do not influence the respondents in their decisions. It is not important for them whether they receive plant fertilizer with the plants. The reason may be that the buyers do not know the purpose of it. Despite the reduction in the popularity of Asparagus, it is often bought together with Dianthus just like other green plants.

3.2. MANAGEMENT OF ROSE

The majority of Rose buyers like the varieties with big blooms and red colour as well as those with small blooms and orange colour (in Hungary). They must be fragrant and have few thorns. From the bouquet-types the white and coral-red ones are preferred (Fig 2.). When buying, it is important for the buyer that the leaves are whole. For the respondents it is not important where the cut Rose was grown. Similar to the Dianthus, the artificial manure is not important for the buyer here either. According to our research this is due to inadequate marketing communication. People like buying cut Roses for Mother's Day and birthdays but for religious purposes they prefer other types of cut flowers.

3.3. MANAGEMENT OF CHRYSANTHEMUM

According to Fig. 3. buyers prefer the bouquet-types to the single-flowered types nowadays. If they buy single flowers, people prefer the white colour; in the case of the bouquet-types they prefer the orange colour. Despite the high price, for All Souls' Day the Hungarian buyer usually buys Chrysanthemums and the price influences them to a lesser degree when making the decision. The price of the cut Chrysanthemum is significantly influenced by weather conditions. People did not appreciate the artificial manure they received with the flower in this case either. The vase life and decoration value of the Chrysanthemum were important for the buyers to the same extent. People prefer to buy the flowers at the market. The declaration that most buyers, if they buy a floral tribute they also buy cut

Chrysanthemums, is an important marketing factor. For the floral tribute people prefer the decoration with live Chrysanthemums.

4. CONCLUSIONS

In the case of cut flowers, it is very important for buyers that they are fresh, yet they do not consider it important that domestic growers supply the market with their own domestic products. These two declarations are contrary to one another. In our opinion the answer was not consequent; they do not see the connection between the freshness and imported products.

The majority of the respondents usually buy single flowers at the market and potted plants in stores or specialized shops. In Hungary, one can buy cut flowers at the market for a lower price and they are fresher than those in the specialized shops. The majority of the respondents do not prefer buying ornamental plants in big shopping centres. A significant number of the plants suffer in quality in the shopping centres and buyers do not receive suitable information about the plants as there is no direct connection between the seller and the buyer. The only advantage is that they offer the products at a lower price. In the case of cut flowers, they do not consider it as necessary that the flowers that are typical of certain seasons are available in all seasons because they only connect these flowers with certain seasons. For the Hungarian buyer, Tulips represent spring and lily-of-the-valley represents May.

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Fig. 1. Image profile examination of Greenhouse Dianthus

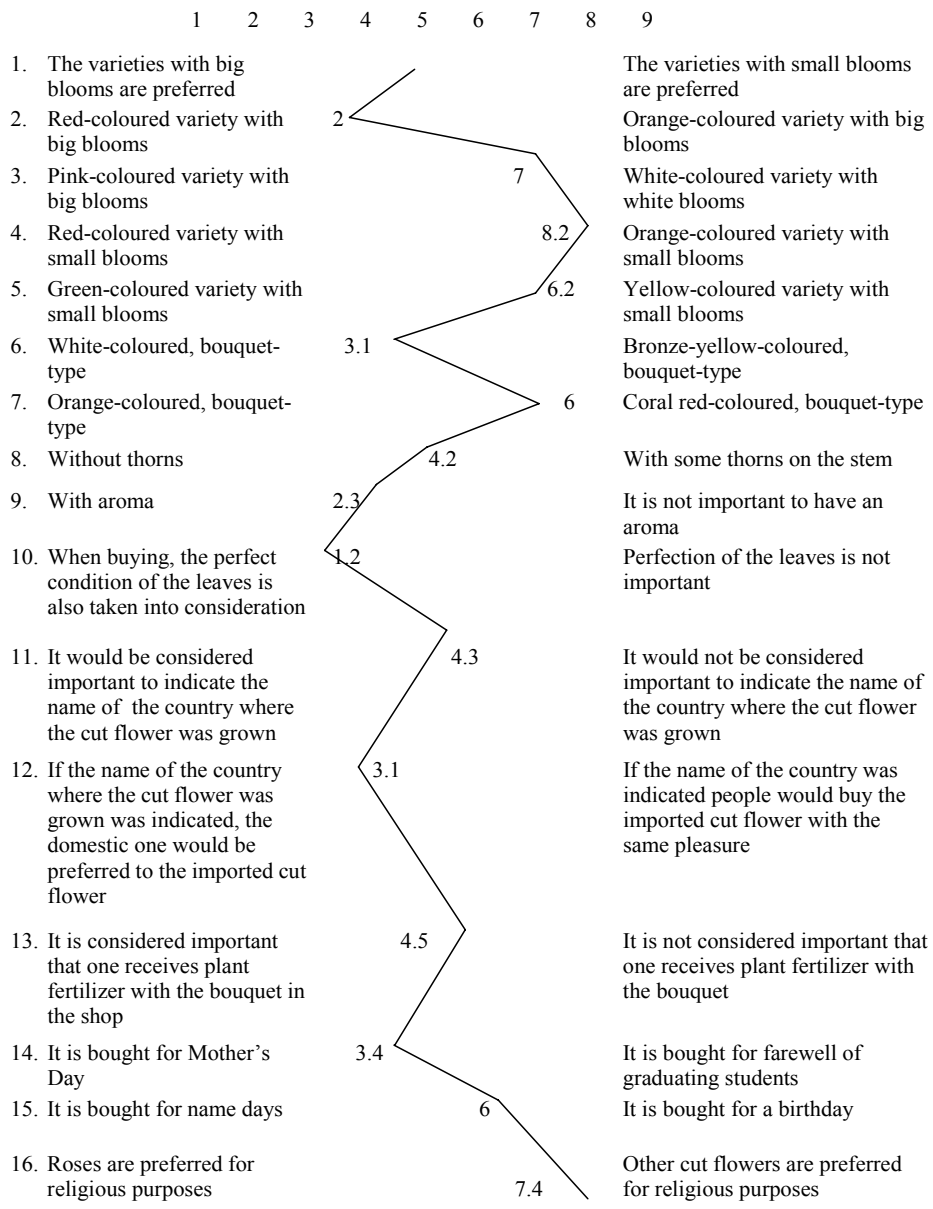


Fig. 2. Image profile examination of cut Rose

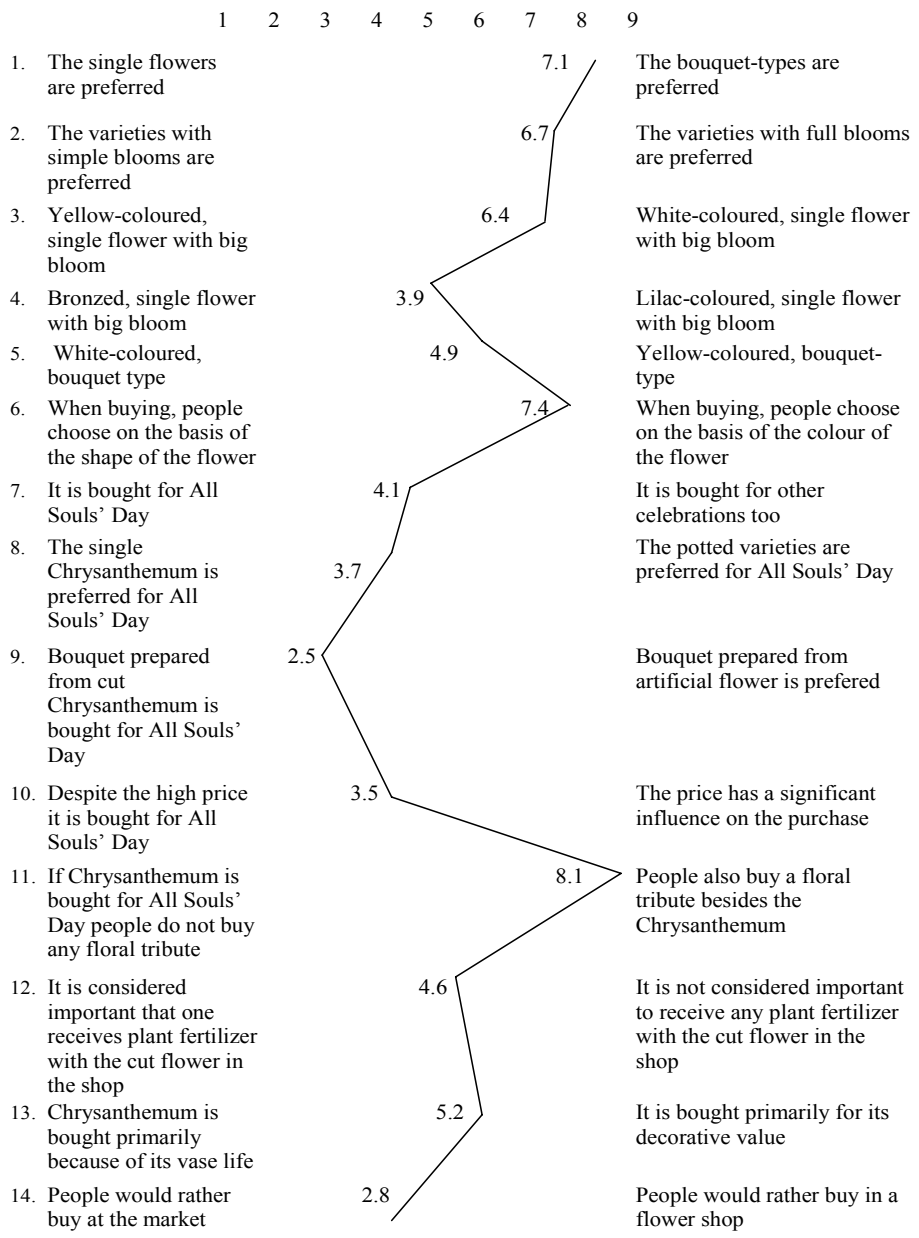


Fig. 3. Image profile examination of the cut Chrysanthemum