

INDUSTRY PROFILE - Floristry



**Flower Retailing
Floristry**

ANZSIC: 4274

Report Prepared July 2022

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Overview

The Logistics & Defence Skills Council (LDSC) provides strategic workforce development advice directly to the Office of the State Training Board (OSTB), and the Department of Training and Workforce Development (DTWD) on issues and opportunities affecting sectors within our industry remit, these include:

- Aviation
- Community Pharmacy
- Defence
- Defence Industries
- Floristry
- Freight Forwarding
- Maritime
- Ports & Stevedoring
- Postal
- Rail Transport
- Retail
- Road Transport
- Warehousing (Supply Chain) & Logistics
- Wholesaling

As part of this advice the LDSC creates annual **Industry Profiles** for occupations within these areas, outlining areas for skills development for the current and future workforce, areas of skills shortages as well as emerging technology or innovation which may impact these industries

workforces. *Please visit our website www.ldsc.asn.au for further information on this and on our other industry sectors.*

1: Industry Background (i.e. Regulatory and/or Licensing Bodies)

- The primary form of business undertaken by Florists is the buying and selling of cut flowers to the public. The Australian and New Zealand Standard Industrial Classification (ANZSIC) categorises it as a division of the retail trade. Therefore, Florists comply with Australian Consumer Law (ACL) regulations regarding their business practices. Under the Australian Consumer Law (ACL), products you buy from an Australian seller are covered by 'consumer guarantees'.¹ These guarantees cover a broad range of consumer rights. For example, that goods and services be:
 - Of acceptable quality and free of fault.
 - Match the description
 - Match the quality of any sample or demonstration model
 - Fit for the purpose specified

The above consumer rights also apply to online Florists.²

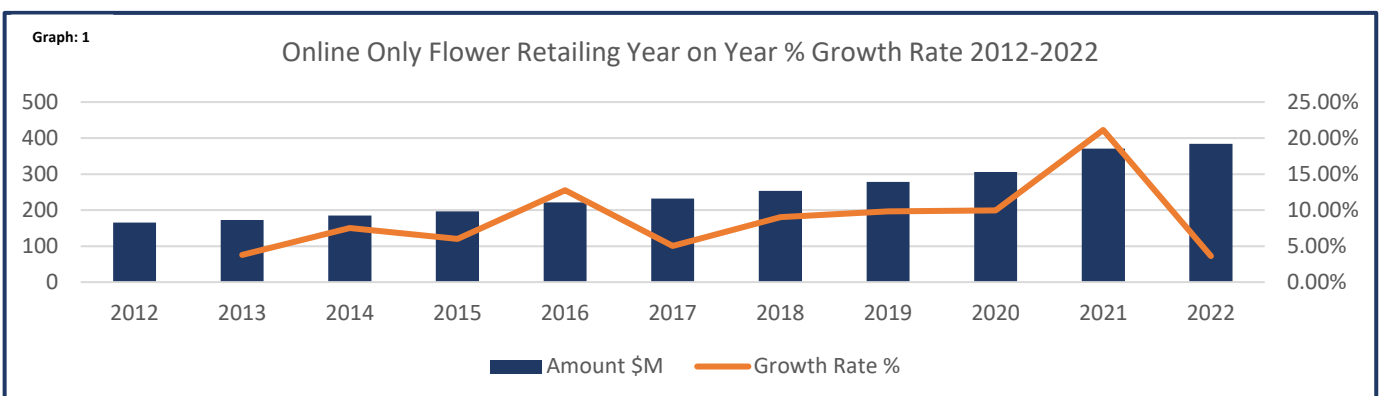
- Other areas of legislation that affect the industry relate to trading hours and employment conditions. Whilst Industry operations are governed by the Competition and Consumer Act 2010 (previously the Trade Practices Act 1974). Respective state and territory governments regulate retail trading hours and certain licences and regulations regarding local trading practices.
- With regards to working as a Florist. There are no occupational licensing, certification, or specific legislative requirements to work as a florist. Many are self-taught, generational florists or are employed and taught on the job.³
- The Department of Primary Industries and Regional Development's Quarantine WA service enforces strict biosecurity legislation in relation to importing plants, bulbs and cut flowers to Western Australia (including potting mix and soil). This means that out-of-state florists cannot send flowers directly. One stakeholder reported this as a benefit for their business.

2: Industry Development and Workforce Opportunities and/or Challenges.

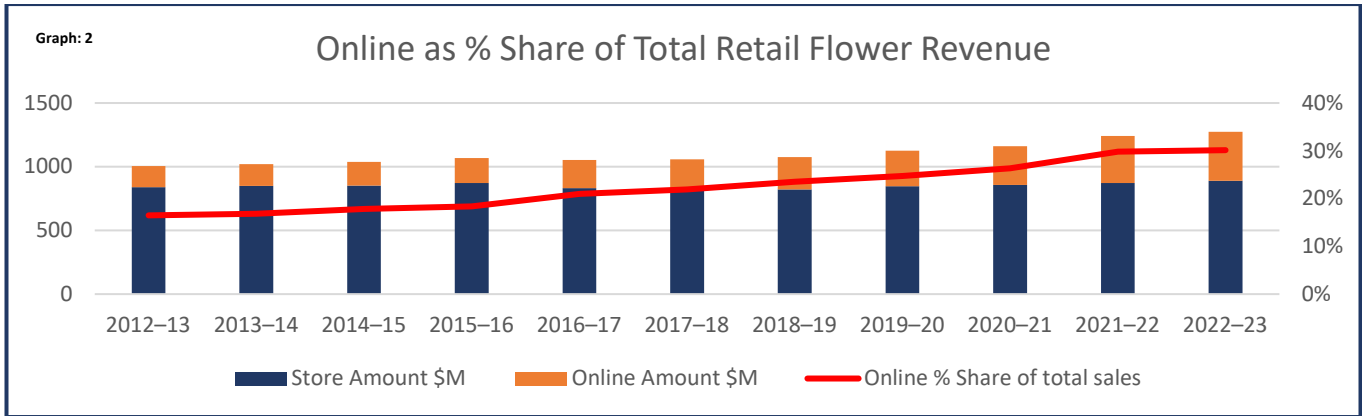
2.1: Opportunities:

2.1.1: Online only flower retailing vs store based flower retailing:

- Across the online retail sector COVID19 accelerated and embedded the use of eCommerce as a means to purchase goods and services. Floristry also experienced this shift in consumer buying habits.



- Graph 1⁴ shows online retail flower industry revenue highlighting the 21% spike in revenue growth between 2020 and 2021. Even though this rate of growth is not forecast to persist, the online Floristry sector will continue to increase its share of the total Floristry market.



- Graph 2⁵ shows store-based retail flower industry revenue vs online only flower retail revenue. Store based shows more erratic revenue growth since 2012. The graph also highlights the increasing share of total revenue that online only has in the industry – reaching 30% in 2022.
- Dependent upon the business model chosen the encroachment of eCommerce into the traditional bricks and mortar Floristry sector has created both opportunities and challenges.
- For bricks and mortar Florists, eCommerce offers a blend of opportunities to sell to the public whilst retaining a physical storefront. Florists can opt to set up their own eCommerce offer, utilising services such as Shopify or Adobe Commerce, and/or join services such as Interflora - a flower delivery network, associated with over 58,000 affiliated flower shops in over 140 countries.
- For individual Florists, eCommerce provides the opportunity to set up a Floristry business that can be managed and run from their homes. Thus, saving money on various business costs such as rent.
- A currently developing model that is finding success forgoes a traditional storefront in favour of a warehouse – where rent costs per sq meter can be much lower. This, coupled with a focus on a smaller selection of arrangements and only retailing through the internet, means Florists can sell at more competitive prices – as the Florist can buy cut flowers in bulk from wholesalers.

2.1.2: Online challenges:

- For bricks and mortar are feeling the impacts from Supermarkets, and various other food and grocery outlets selling cut flowers. The benefits of eCommerce have been mixed. For example, local Florists have reservations regarding the use of Interflora. This is due to customers believing that the Florist, where the order is placed, sends the flowers themselves. When, what happens, is that the shop closest to the destination sends the flowers. This means the Florist taking the order has no control over the quality of the flowers or service provided by the delivery Florist. This had led to confrontations with customers who accuse the Florist, where the order was placed, of providing a poor service.
- eCommerce platforms have allowed many new entrants into the Florist market. One issue for bricks and mortar is these new entrants do not have as many overheads. Another problem is the ease with which eCommerce platforms like Shopify enable new entrants into the market. As there are no occupational licensing, certification, or specific legislative requirements to work as a florist many enter the industry without a qualification or training, or straight out of training, but with little business experience. These factors may explain that of the 35 retail ANZSIC sub-categories, year ending 2020-2021, Floristry had the second-highest business exit rate as a percentage of the total number of Florists, and the fifth-highest entry rate. The majority of these entries and exits consisted of non-employing businesses - businesses operated by own-account workers (i.e., people working in their own business without employees)⁶.

State	ANZSIC Industry	ANZSIC Industry	Total	Change	Percentage Change	Entry Rate	Exit Rate
Western Australia	4274	Flower Retailing	201	5	2.6	22.4	18.4

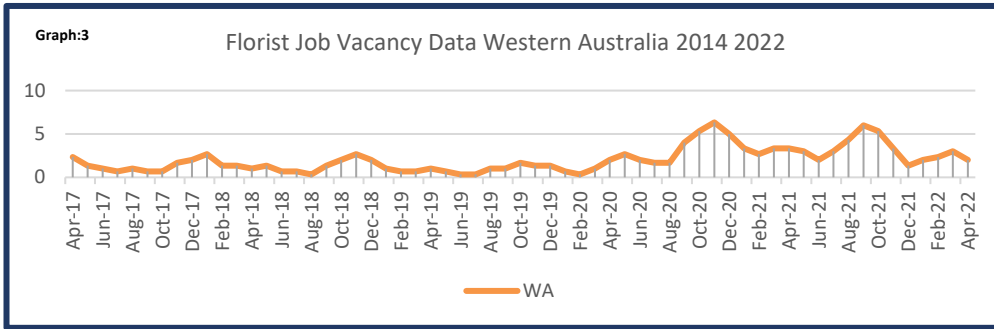
2.2: Industry Opportunities:

- Social media is becoming an important source of ideas and a tool for seeking new trends and industry developments. There is a growing desire among consumers for more environmentally and ethically sourced materials. For example, cut flowers that are grown without pesticides or locally grown varieties that have less of a carbon footprint. These environmental and ethical concerns are an aspect of the current SFL training package that require review. Not just to meet changing consumer habits but also to pre-empt possible future regulatory changes.
- Freeze-dried flowers are growing in popularity with Floristry students. Initially, they are more expensive, but if looked after, they can last almost indefinitely. Freeze-drying removes the water vapour from flowers while in their frozen state. Once processed the flowers retain their shape and size.
- Freeze-dried flowers also have extensive commercial opportunities. For large businesses, hotels, or wealthy clients, where cost is not a consideration, the fact they can be installed and left for long periods means they require less oversight – they do not need an employer to constantly monitor them.
- Genetically modified flowers research is still some way behind that of plants produced for agricultural crops.⁷ However, the commercial possibilities for the industry range from, improving scent, and removing pollen to the development of new colours.⁸
- Greater use of hydroponics and micro-propagation are likely to boost flower availability.⁹
- eCommerce technology has the ability to offer Florists an expanded range of customer services. One such service is a subscription. Like a magazine subscription, a customer can now organise having flowers delivered on a regular basis. The subscription model benefits the customer as they can plan their flower needs and for the florist, it guarantees a set income for the duration of the subscription.

2.3: Existing and anticipated supply and demand for skills:

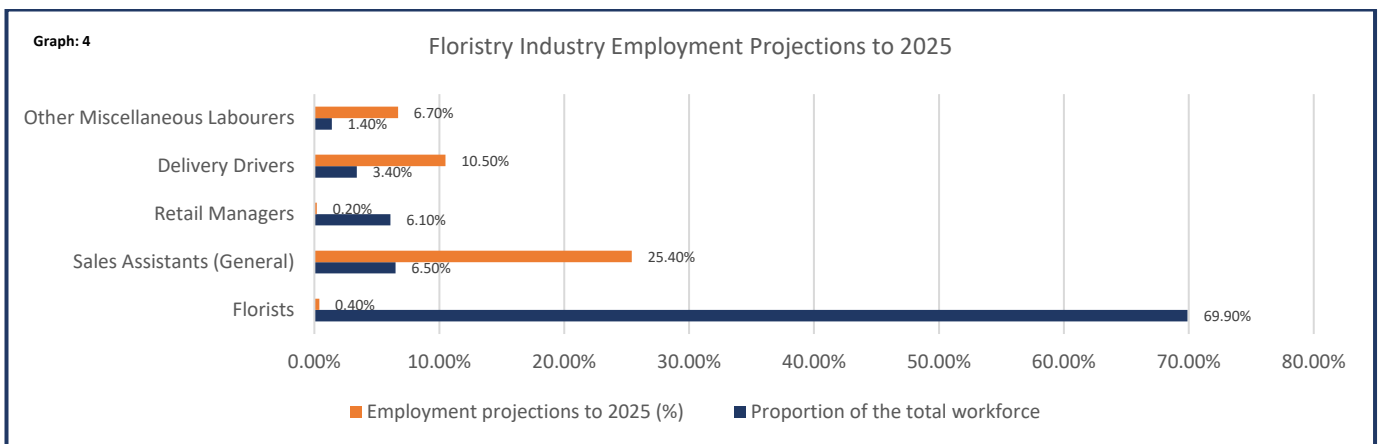
- Online only tends to consist of people working in their own business, without employees, and from home. Industry perceived this cohort to be less likely to have an SFL training package qualification or, if trained, to have received training with a non-accredited training provider. Online only is often the option chosen by newly qualified Florists as overheads are low. This dynamic, coupled with the high entry and exit rates for non-employing businesses, points toward a possible need for skills related to online flower retailing or skill sets that focus on eCommerce skills gaps.
- Local Florists report that, even if social media and eCommerce are not high on the list of skills when hiring, they often utilise younger staff members' familiarity with social media and its uses.¹⁰
- Businesses with employees report a general absence of the specific skills and knowledge they felt were needed when seeking to hire new members of staff. This was the case whether the applicant had received either accredited or non-accredited training. This lack of suitable training meant that the business had to invest valuable time and resources in retraining the staff member. This issue is compounded as Businesses reported that new employees would often ignore the business owners' guidelines and revert to the training they received with the training provider – leading to tensions.
- Even though industry reports trouble finding suitably trained candidates their issues are not with the concept of training but with the suitability of the training. For example, they identified a lack of basic botanical knowledge when it came to identifying flowers. They also felt students could often be intransigent when it came to following the instructions of the business owner – They often received the response of “but this is how we were trained”.
- Regarding workforce response to job advertisements. Industry stated that when advertising a position, they get an overwhelming response. However, very few applicants have Floristry training or experience.
- The Skills Priority List (SPL) for June 2021, and current job vacancy data, indicate no immediate shortage of florists. However, there is a moderate future demand for qualified florists.

ANZSCO	Floristry	Strong	Moderate	Soft
362111	Florist		x	



• Graph: 3 Job vacancy data from 2014 to 2022¹¹ low vacancy rates. Demand does grow towards year-end due to Spring traditionally being wedding season coupled with the approach of Christmas.

- Top skills in demand for this industry include creativity, communication skills, organisational skills, detail-oriented, time management and working well within a team environment. Consultation with industry also emphasised the importance of botanical knowledge.
- Both Labour Market Insights and IBISWorld project that between now and 2025/6 workforce growth will remain flat – at between 6,100¹² (LMI) and 6,400¹³ (IBISWorld).
- Graph: 4 – Details VET related occupations as a proportion of the Flower Retailing industry (ANZSIC 4274) workforce, and the projected employment growth for each occupation to 2025. According to projections Florists, over the next 5 year period as a proportion of the industry workforce, will remain static with very little growth. However, the data points to a growth in demand for Sales Assistants and Delivery Drivers within the industry sector.¹⁴



2.4: The impact of COVID-19 to the Workforce:

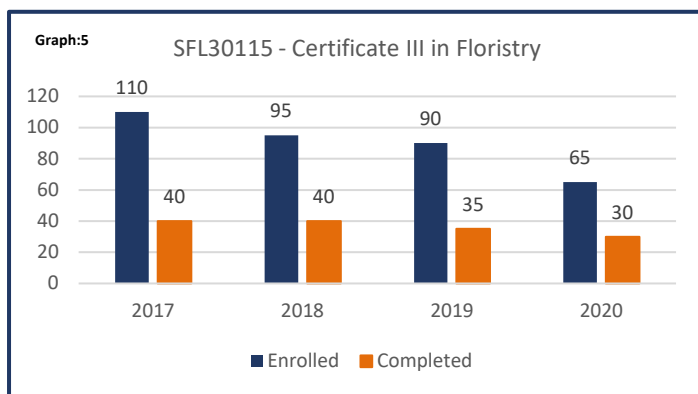
- Over the last two years COVID-19 lockdowns, trading restrictions and social distancing requirements forced many businesses in the retail/Floristry sector to close their doors to the public. At the same time the surrounding business workforce, i.e. their walk-in customer base, was encouraged by the State Government to work from home where possible. Bricks and mortar Florists were caught up in the resultant shift in consumer behaviour towards online shopping platforms and home deliveries. Industry consultation found that for small independent Florists researching and implementing an eCommerce strategy and platform was costly and time-consuming. The issue was not one of the skills but of return on investment and the time it took to learn systems.¹⁵
- From early to mid-2020 supply chain and importation disruptions affected Australian florists as passenger jets carrying floral produce came to a halt. As flower prices increased Florists sought to source stock from local growers and suppliers. However, this did cause local prices to rise in response to the increased demand.
- Employees that worked in small florists within the metro and regional areas were dismissed due to limited working opportunities during the beginning of the pandemic.¹⁶

- The pandemic forced florists to adopt a contactless approach. Delivery options, online and phone orders increased therefore creating a need to address the technology knowledge gap that exists. Many employers in small florists hire staff that are generally younger and familiar with social media to assist

3: Training and Education Needs and Experiences

3.1: Current and anticipated training needs of industry

- The floristry workforce is 92% female¹⁷ with an average age of 40. Industry reports that young entrants often complete training and then exit the industry to start families. Once their children are old enough, they often seek re-employment. However, employers report that, due to changing trends and techniques, they often still require training. This issue might best be resolved by offering skill sets rather than full qualifications.
- Due to the small size of the industry (201 registered in WA as of 2021),¹⁸ and the small number of people employed in it, RTOs are averse to delivering Floristry qualifications. Currently, there are only two RTOs scoped



to deliver in WA. Of these two only South Metro TAFE is active in delivering the floristry training package. On top of the lack of training providers, there is also the fact the training package has not been reviewed since 2015. These two factors may explain the trend of dropping enrolment numbers for Cert III (The most popular qualification). To resolve this decline requires

- an expansion of the number of training providers,
- updating the training package
- encouraging people to enter the industry.

- Regional and small towns are finding it difficult to put employees through a traineeship, as currently training is only offered by South Metropolitan TAFE. As they lack the capacity to deliver units online, students interested in completing training must relocate. To resolve this requires either:
 - Adequate travel and accommodation allowances for trainees who need to travel long distances for training.
 - Offering blended learning and having online videos and more support from TAFE in regional areas for assessments.
 - Online delivery may also allow providers from other states to offer training.
- Training should include business units that provide guidance when downturns are happening. How to re-arrange finances, renegotiate terms with suppliers, or even how to close a business and when to make that decision etc.
- Many florists lack the resources, knowledge, and confidence to build and manage their own digital presence. Not only does the training package for Floristry need to review and update those digital technology skills embedded in the Certificate III and Certificate IV qualifications, there also needs to be effort focused on finding and developing the infrastructure for the delivery of the units.
 - BSBTEC405 - Review and maintain the organisation's digital presence – no provider on scope to deliver in WA
 - BSBTEC501 - Develop and implement an e-commerce strategy - no provider on scope to deliver in WA
 - SIRXEBS001A - Acquire and retain online customers – deleted

3.2: Training Challenges/Opportunities existing for industry within the training sector:

- The industry is poorly informed about current training provisions.¹⁹ Businesses were unclear as to what accredited training was.
- All businesses consulted with were unaware of any WA peak body to serve as a voice for their training needs.

- Economic uncertainty felt by employers has put a strain on potential traineeships and students, unable to gain work experience/ opportunities and quality work placements to develop both ‘soft skills and fundamental technical skills.
- Industry felt that sustainability practices were a low priority in the current retail climate. Businesses consulted with ensure they meet their legal requirements but do not pro-actively look to improve their policies or procedures.
- Currently, there is only one accredited training provider delivering in Western Australia. Certificates II, III and IV in floristry are available along with Floristry Essentials Skills Set and a traineeship option. After-school traineeships are available and usually take around 12 and 24 months to complete. There is one provider in Queensland that has the SFL training package on scope in WA but they do not currently promote this in WA.
- RTOs reports that Certificate II has few enrolments. NCVER data show there have been no enrolments in WA since 2017. One training provider advises prospective students not to do the cert II as they feel it does not meet the minimum standards to work in the industry.
- Consultation found that employers would consider sending employees for training. However, the current length of time it takes, and the number of units, is too long – to graduate with CERT III requires 21 units (622 Nominal Hours) to be completed.
- One challenge for training is why Cert II is not seen as fit for purpose by the industry and training providers, and why so few Cert III graduates go on to study Cert IV or Diploma.

3.4: Career Pathways and Graduate Outcomes:

- There are no occupational licensing, certification, or specific legislative requirements to work as a florist. Many are self-taught, generational florists or are employed and taught on the job.²⁰ However, the Australian Apprenticeship Pathways AAP suggests the below table as a guide for graduates.²¹ Both employers and, those who were self-employed, found Certificate III fulfilled their needs.

Certificate II	Certificate III	Certificate IV	Diploma
Floristry Assistant	Florist	Senior Florist (online)	Specialist Designer (Floral)
	Online Florist	Senior Florist	

- NCVER Graduate outcomes data for Certificate III.²² Due to the low enrolment and completion numbers for accredited training, the number of people offering unaccredited short courses, and the propensity for people to enter the sector without any training, NCVER outcomes data needs to be read in context. However, a 52% improvement in employment status after training highlights how beneficial training can be.

Number of respondents	Employed or in further study	Improved employment status after training	Enrolled in further study after training	Satisfied with the training	Median salary of those employed in first full-time job after training (\$)
235	77%	52%	23%	84%	\$47,900

- NCVER data also shows that 77% of graduates are employed or in further study. This may be due to a person being hired without a qualification and then upskilling whilst employed.
- As mentioned earlier consultation with industry did support NCVER outcomes data. All businesses interviewed said they would automatically consider an applicant for a role if they had listed a Floristry qualification in their application.

4: References:

- ¹ “Legislation | Consumer Law,” accessed June 9, 2022, <https://consumer.gov.au/australian-consumer-law/legislation>.
- ² Australian Competition and Consumer Commission, “Shopping Online,” Text, Australian Competition and Consumer Commission, September 11, 2012, <https://www.accc.gov.au/consumers/online-shopping/shopping-online>.
- ³ Industry Consultation Floristry, 2022.
- ⁴ “IBISWorld - Floristry Industry Market Research, Reports, and Statistics,” accessed June 10, 2022, <https://www.ibisworld.com/default.aspx>.
- ⁵ “About - G4274 Flower Retailing in Australia - MyIBISWorld,” accessed April 19, 2022, <https://0-my-ibisworld-com.catalogue.slwa.wa.gov.au/au/en/industry/g4274/about>.
- ⁶ c=AU; o=Commonwealth of Australia; ou=Australian Bureau of Statistics, “1321.0 - Small Business in Australia, 2001” (c=AU; o=Commonwealth of Australia; ou=Australian Bureau of Statistics, October 23, 2002), <https://www.abs.gov.au/ausstats/abs@.nsf/mf/1321.0>.
- ⁷ Henry I Miller and Brenda Silva, “The Flower Industry Gets the Genetic Engineering Blues,” *GM Crops & Food* 9, no. 2 (2018): 49–52, <https://doi.org/10.1080/21645698.2018.1471962>.
- ⁸ Twitter et al., “Can Genetic Engineering Make Better Flowers?,” *Treehugger*, accessed June 12, 2022, <https://www.treehugger.com/can-genetic-engineering-make-better-flowers-4862554>.
- ⁹ “IBISWorld - Floristry Industry Market Research, Reports, and Statistics.”
- ¹⁰ Industry Consultation Floristry.
- ¹¹ “Job Vacancies, Australia, February 2022 | Australian Bureau of Statistics,” March 31, 2022, <https://www.abs.gov.au/statistics/labour/jobs/job-vacancies-australia/latest-release>.
- ¹² “Florists | Labour Market Insights,” accessed June 14, 2022, <https://labourmarketinsights.gov.au/occupation-profile/florists?occupationCode=3621>.
- ¹³ “IBISWorld - Floristry Industry Market Research, Reports, and Statistics.”
- ¹⁴ “Floristry,” National Industry Insights Report, February 21, 2018, <https://nationalindustryinsights.aisc.net.au/industries/personal-services/floristry>.
- ¹⁵ Industry Consultation Floristry.
- ¹⁶ Industry Consultation Floristry.
- ¹⁷ “Florists | Labour Market Insights.”
- ¹⁸ “Counts of Australian Businesses, Including Entries and Exits, July 2017 - June 2021 | Australian Bureau of Statistics,” December 21, 2021, <https://www.abs.gov.au/statistics/economy/business-indicators/counts-australian-businesses-including-entries-and-exits/latest-release>.
- ¹⁹ Industry Consultation Floristry.
- ²⁰ Industry Consultation Floristry.
- ²¹ “Apprenticeships and Traineeships Job Pathway Charts - AAPathways,” accessed June 29, 2022, <https://www.aapathways.com.au/job-pathways/chart/floristry-sfl/be185e45-93c0-4227-9abb-810dd4155e08>.
- ²² National Centre for Vocational Education Research, “VET Student Outcomes” (National Centre for Vocational Education Research, December 16, 2021), <https://www.ncver.edu.au/research-and-statistics/collections/student-outcomes/vet-student-outcomes>.