

ARTIFICIAL FLOWER

INDUSTRY AND MARKET DEMAND INSIGHTS





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Demand varies by product type, material, and use, with residential, commercial, and event sectors leading.

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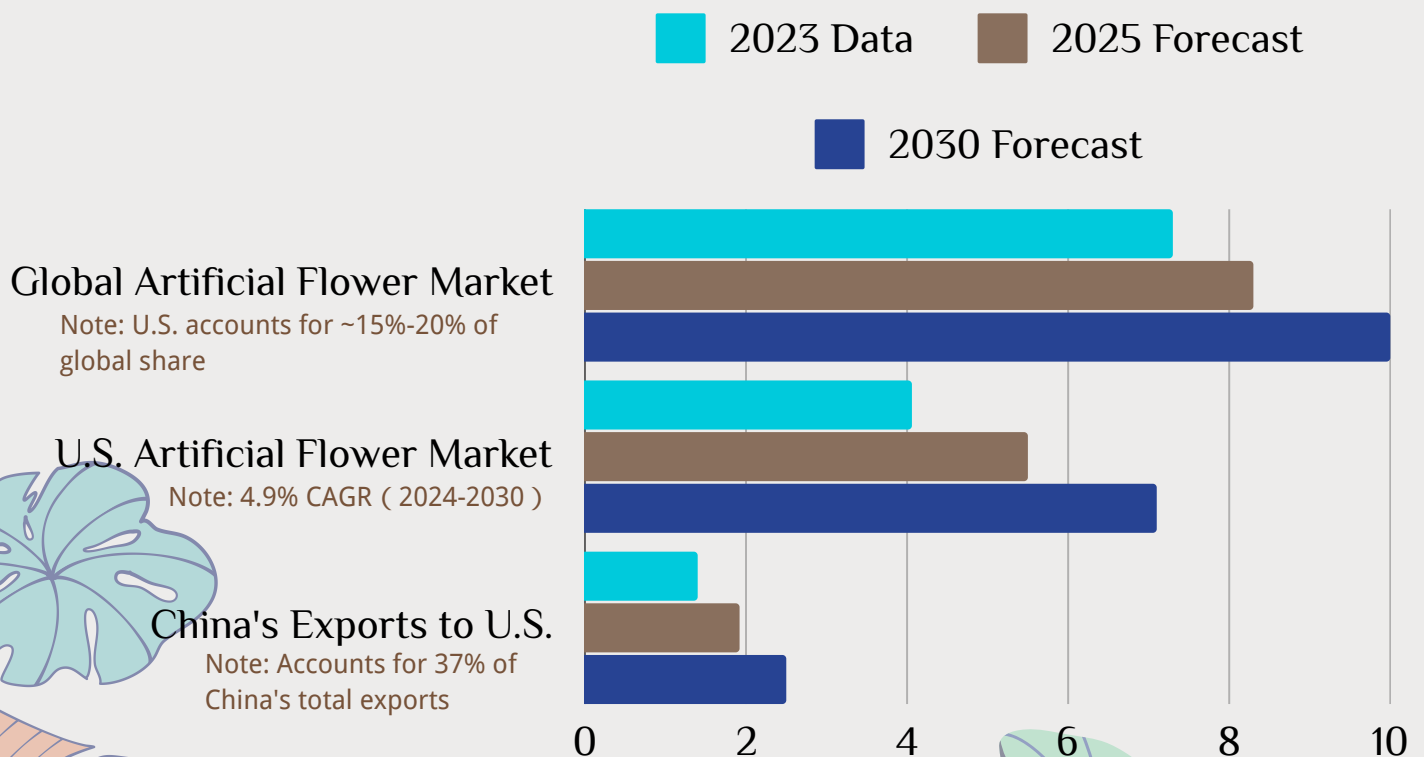
Sales have shifted from physical stores to e-commerce, boosting accessibility and global reach.

The Global Flower Market Size

According to a report by Grand View Research, the global flower market reached \$37.45 billion in 2023. This market is expected to grow at a compound annual growth rate (CAGR) of 4.8%, reaching \$51.83 billion by 2030.

In 2023, the global artificial flower market reached approximately \$7.5 billion, with the United States contributing a significant portion as the largest home decor market in the world. The U.S. home decor market was valued at \$33.86 billion in 2023, with artificial flowers accounting for about 12%-15% of this market, corresponding to a market size of approximately \$4.06 billion to \$5.08 billion.

It is expected that from 2024 to 2025, the U.S. artificial flower market will grow in tandem with the home decor industry, with an annual compound growth rate (CAGR) of 4.9%. By 2025, the market size is anticipated to exceed \$5.5 billion.



The U.S. Consumer Market and China's Supply Chain



Domestic production of artificial flowers in the United States is limited by labor costs, resulting in a high dependency on imports. Global customs data shows that from January to August 2024, China's exports of artificial flowers amounted to \$3.322 billion, with the United States being the largest destination, accounting for over 37% (compared to \$1.563 billion in 2022). In 2024, the U.S. imported 46,963 tons of artificial flowers, valued at \$913 million, further confirming its import demand.



Market Demand Analysis for Artificial Flowers

With the development of the global economy and changes in consumer spending patterns, the market demand for artificial flowers exhibits the following notable characteristics:

The Wedding Market as a Necessity

Weddings are one of the primary application scenarios for artificial flowers, and their use is becoming increasingly common. The wedding market accounts for 25%-30% of the demand for artificial flowers, with couples opting for artificial flowers over fresh ones to reduce costs (saving approximately 40%) lowers amounted to \$3.322 billion, with the United States being the largest destination, accounting for over 37% (compared to \$1.563 billion in 2022). In 2024, the U.S. imported 46,963 tons of artificial flowers, valued at \$913 million, further confirming its import demand.

Continued Penetration in the Home Decor Market

The home decor market is another rapidly growing area for artificial flowers, particularly in homes and commercial spaces that require plant and flower decorations. Many consumers choose artificial flowers to beautify their living environments, avoiding the maintenance issues associated with natural plants.

Explosive Growth in Festive and Commercial Scenarios

In commercial venues such as stores, hotels, restaurants, and exhibition halls, artificial flowers can be arranged on a large scale to enhance the ambiance and visual effects while reducing maintenance costs. This demand accounts for approximately 35%. In environments where maintaining fresh flowers is not feasible, artificial flowers become an essential decorative material.



DRIVING FACTORS BEHIND THE GROWTH OF THE ARTIFICIAL FLOWER MARKET

Convenience in Storage and Transportation:

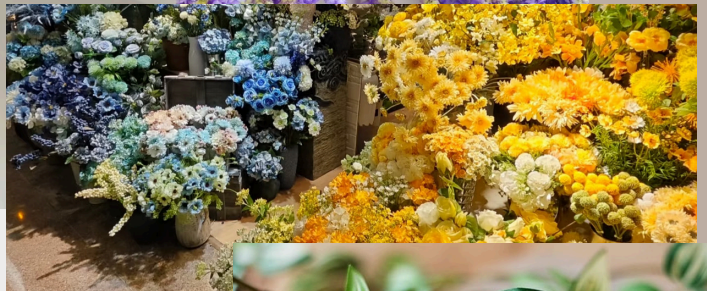
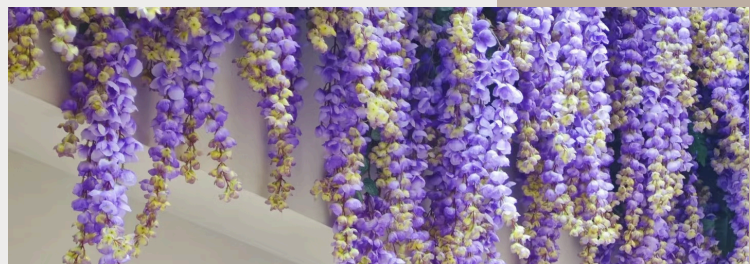
35% of brides choose artificial flowers. In budget-limited or remote locations (such as island/desert weddings), artificial flowers can save on the costs of cold chain transportation for fresh flowers (approximately \$5-8/kg) and frequent replacement costs (reducing fresh flower losses by an average of \$1200 per wedding).

Supply Chain Stability:

Artificial flowers can be made and stored up to 6 months in advance (requiring only standard storage conditions for temperature and humidity), avoiding the risks associated with extreme weather (such as a cold snap causing rose prices to increase by 40%) or supply-demand imbalances during holidays.

Low Maintenance:

Dual-income households spend less than 10 minutes per day on plant maintenance. Artificial flowers solve watering/fertilizing problems, with a user satisfaction rate of 89%. Commercial spaces require floral decorations to be displayed for extended periods to maintain a "year-round greenery" visual effect indoors.



Segmented Market Demand Iteration

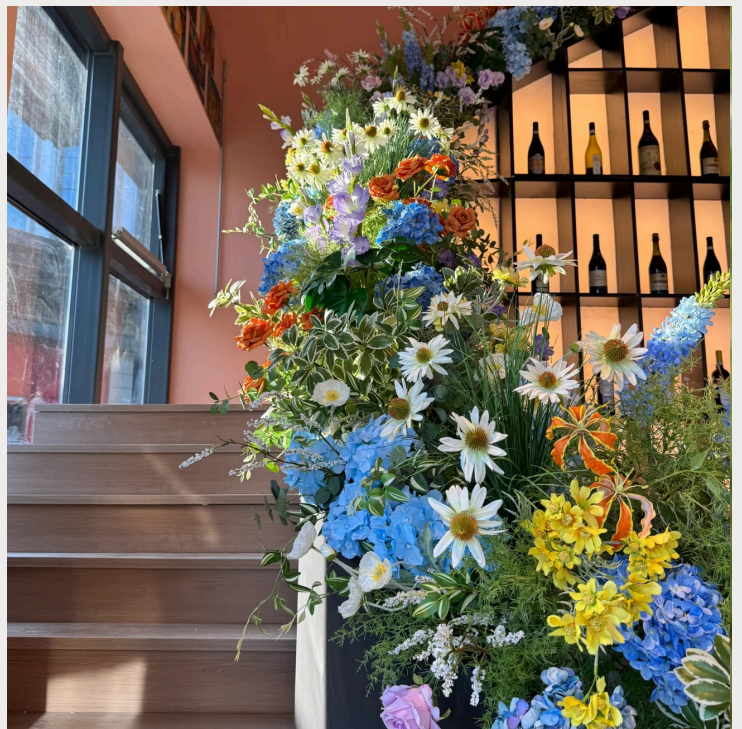


Emotional and Personalized Value

Over 60% of brides choose to keep their artificial flower bouquets or background wall components as mementos (according to a survey by Brides magazine), with 25% of them transforming these items into home decor, giving artificial flowers a second life.

Themed Customization

Supports custom designs based on provided images, accurately replicating shapes and styles to fit themes such as woodland, vintage, and minimalist. Custom orders have increased to 32% (e-commerce platform data).



Segmented Market Demand Iteration



Hybrid Innovations

As the technology for artificial flowers continues to evolve, their appearance and texture have become nearly indistinguishable from natural flowers. Artificial roses and peonies serve as the main visual elements, with a few real flowers added in guest contact areas (such as dining tables and bouquets). This allows artificial flowers to account for 70%-80% of the visual impact in weddings and festive events, reducing overall costs by 40% and achieving an 80% reuse rate for decorations (Marriott Hotel Wedding Department data).

Diversity and Innovative Designs

In recent years, the artificial flower industry has seen significant advancements, with wax-based flowers becoming a key innovation. Custom molds are used to replicate the thin, curled texture of real petals, achieving exceptional realism. This breakthrough enables lifelike floral designs that appeal to consumers for their beauty and durability.



Segmented Market Demand Iteration

Adding Fresh Elements to Traditional Events:

Commercial Applications: Chinese artificial flower brand G.E.V. has partnered with Italy's Mediaset Channel 5's popular TV show "Ciao Darwin" to provide decorative flowers for the show's costumes on set.

The integration of innovative designs and high-quality materials has not only enhanced the visual appeal of artificial flowers but also extended their lifespan, making them a cost-effective and eco-conscious choice for consumers worldwide. As the industry continues to evolve, the focus on diversity and innovation is expected to drive further growth and adoption of artificial flowers across both residential and commercial markets.



Evolution of Sales Channels

Offline Channels



Home Chain Stores - Enhancing Sales Conversion through Scene Building

IKEA has simulated various home scenes, such as living rooms, bedrooms, and dining rooms, cleverly integrating artificial flowers into these settings. This display method not only increases the visibility of artificial flowers but also enhances consumers' willingness to purchase. Statistics show that IKEA's scene-based displays have significantly boosted the conversion rate of artificial flowers, accounting for over 60% of offline sales.

Flower Wholesale Markets - Capturing the Market with Customized Services:

Many wholesale markets have begun to focus on providing customized services for corporate clients, such as bulk purchases and specific holiday-themed floral designs. These measures have effectively driven the growth of B2B orders. According to statistics, the volume of B2B orders in flower wholesale markets increased by 12% in 2023.



Evolution of Sales Channels

Online Channels



Comprehensive E-commerce Platforms - Winning the Market with Rich Variety and Quality Service:

E-commerce giants like Amazon and Walmart dominate the artificial flower sales market. These platforms attract a large number of consumers with their robust logistics systems, diverse product ranges, and high-quality customer service. Statistics show that these platforms account for 45% of online artificial flower sales, with sales revenue growing by 18% year-on-year in 2023.

Social E-commerce - KOL Content Marketing Shines:

Platforms like TikTok and Instagram have successfully attracted a large number of potential consumers through content marketing by major influencers. These influencers typically post content about material selection, pairing suggestions, and purchasing guides for artificial flowers, thereby stimulating consumers' desire to buy. Statistics show that social e-commerce driven by KOL content marketing has increased artificial flower sales by 30%.

