



Choosing, Producing, and Cashing in with Christmas Trees

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Objective: To determine consumer buying behavior, production characteristics and profitability of the 2003 holiday season compared to other years.

Part of an on-going project to survey market opportunities for limited resource forest landowners in eastern North Carolina.

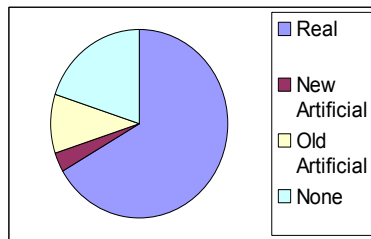
Consumers

Methods

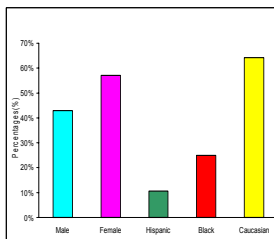
- In-person interviews of Christmas tree consumers in December 2003.
- Conducted at Kroger, Farmer's Markets, Wagoner's lot and Crabtree Valley Mall.
- Sample size of 30, randomly selected, 15% refusal rate.
- Asked about Christmas trees and recorded observed socio-demographic characteristics.
- Considered a "pre-test" for full survey in next season.

Selected Results

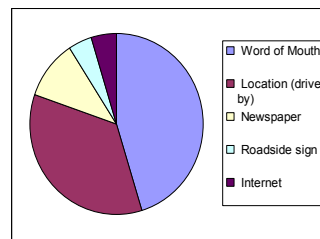
Christmas Tree Purchased Last Year



Sample Group Demographics



Market Methods Effectiveness



Conclusions

- Minority and Caucasian consumers had similar buying behavior.
- Childhood influences had an impact on current buying decisions.
- Consumers report that they do vary type and species of tree from year to year, but Fraser fir is most popular overall.
- Location and reputation are the best marketing tools.
- The majority of consumers have heard about choose & cut farms, but many have not purchased directly from those farms.
- Consumers traveled on average 11 miles to a choose and cut farm, but would be willing to travel further for low prices and holiday experience.
- Minorities may be a new niche market for choose and cut operations.

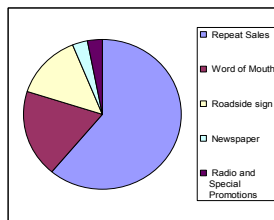
Producers

Methods

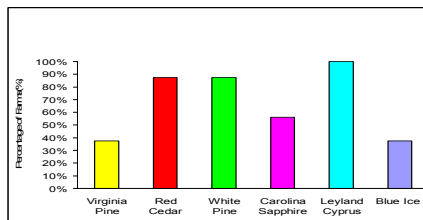
- Questionnaire distributed at October 2003 meeting of the Eastern North Carolina Christmas Tree Growers Association.
- Sample size of 16, with 100% response rate.
- Respondents were all choose and cut operators in Eastern North Carolina.
- Asked about production and consumer demographics.
- Results are not tested statistically for significant differences due to small sample size.

Selected Results

Market Methods Effectiveness



Percent of Producers Growing Different Tree Species



Conclusions

- White Pine and Leyland Cypress are the best sellers and account for a large portion of cut & choose tree production.
- Choose and cut operations are heavily dependent on repeat sales and seem to have a steady customer base.
- A small percentage of customers are minorities, but this could be an area for growth.
- Choose & cut Christmas tree production been stable for the last five years and is forecast to remain stable.
- Christmas greenery provides supplemental income.

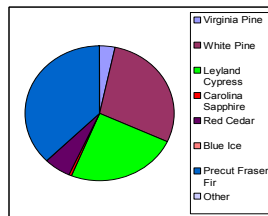
2004 Holiday Season

Methods

- Questionnaire distributed at January 2004 meeting of the Eastern North Carolina Christmas Tree Growers Association.
- Sample size of 22, with 100% response rate.
- Christmas tree growers from the East and Piedmont regions of North Carolina were surveyed.
- Asked about sales by species, customer demographics, and trends.

Selected Results

Sales by Tree Species in 2003



Conclusions

- The 2003-2004 was a good season for growers because of improved weather conditions, and population growth in the surrounding areas.
- White pine is a top seller, and Leyland cypress is growing in popularity, but much of revenue is generated from pre-cut Fraser fir sales.
- The percentage of minorities purchasing choose and cut has remained about the same, but there has been an increase in Hispanic customers in some areas.
- Farmers are interested in learning how to appeal to minority customers, especially the Hispanic market.