

BIBLIOGRAPHY

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ABSTRACT

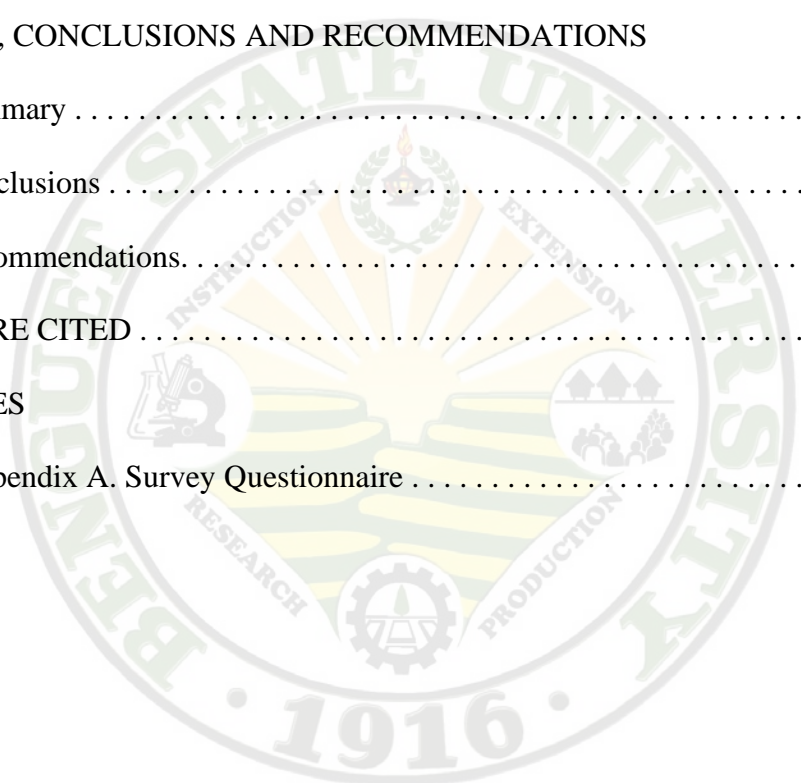
This study was conducted mainly to assess the profitability of the floral design business in Dimasalang, Metro Manila. The study was conducted in December 2005 with 30 florists in Dimasalang, Metro Manila as respondents.

The floral design commonly produced by the florists in Dimasalang were flower arrangement, corsage, bouquet, and leis of different sizes and types. The other service packages offered by the florists were church décor, reception décor, and bridal entourage. The respondents were grouped into two according to location of business; the bagsakan center and the retail area. The gross income per florist at the bagsakan center was about 2 million pesos while at the retail area was about 2.3 million pesos. This included the sales from floral designs and service income. The total costs at the bagsakan center was about 1.08 million pesos leaving a net income of P931, 278 while at the retail area, the total cost was 1.32 million pesos leaving a net income of P967,299. The returns above total cost, returns above variable cost, and returns above fixed cost at the bagsakan center was 0.86, 1.06, and 4.52, respectively. At the retail area, the returns above total cost was 0.73, returns above variable cost was 0.86, and returns above variable cost was 4.89.

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INTRODUCTION

Rationale

All people are artist. As human, people like to create things and floral designing is one of the many outlets of creativity.

Floral designing has been around for centuries and anyone can be successful with it. A single flower is beautiful in itself, but when they are grouped together, the aesthetic beauty can become more admirable.

Flower unlike other media are forgiving. It can be arranged or rearranged until the artist is satisfied with it. There are endless possibilities in floral designing. Some are large, medium and even small flower arrangement. Flowers can be dried and made into arrangements; it can be pressed and use in making cards and more.

Floral designing is one way of enhancing its aesthetic value. It is also a way of recycling damage flowers that cannot be sold. Flowers are use to highlight the key moments in our lives just like birthdays, holidays, the first dance, wedding, anniversaries, illnesses and deaths.

In Manila, Dimasalang is the trading place of cutflowers. Forty percent of the cutflower being sold comes from Baguio and Benguet farms (Pitlongay, 2002). Aside from selling cutflowers, many floral designers in this place make flower arranging as another business. Some of their customers who are retailers from nearby provinces usually buy their craft and sell it in their respective places.



Furthermore, cutflower business is one of the blooming businesses in the country today, and floral designing follows. It is therefore the purpose of this study to assess the profitability of the floral design business in Dimasalang, Manila.

Objectives of the Study

This study was conducted to find out the profitability of the floral design business in Dimasalang, Manila. Specifically it aimed to:

1. find out the different floral designs being produced and sold in Dimasalang, Manila;
2. determine volume of production and the selling price per design
3. determine the mark-up set by the floral designer
4. find out other services rendered by the floral designer
5. Estimate the costs and returns from the floral design business.

Importance of the Study

The study was conducted to assess and estimate the costs and returns from floral design business and the results could be used as benchmark data for further studies to improve the cutflower business.

Scope and Limitation of the study

This study focused on the business operations of the flower design enterprise in Dimasalang, Metro Manila where the cost and return analysis in this enterprise was assessed. Respondents were limited to those with permanent flower shops.



REVIEW OF LITERATURE

In the study of Pitlongay (2002), she said that most florists in Dimasalang and Kanlaon considered floral designing as an occupation or as a permanent job but for others it is only a sideline for additional income. They are engaged in this business for two to four years and most of them are in the ages ranging from 26 to 30 years old. Males dominated her respondents and 65% of them have reached college.

On the other hand, according to Scace (2001) the materials used in flower arranging must contain the components of color, size, line, pattern form, and texture. In Pitlongay's (2001) study, the materials used by the florists of Dimasalang and Kanlaon, Manila were mostly using anthurium, Malaysian mums, roses, statice and orchid flower because of their availability in the market.

There are eight basic ways to arrange a floral design but within each shape the use of scale, variation of emphasis, choice of colors, containers, and textures provides the imagination with endless creative possibilities. These designs are horizontal, vertical, triangular, oval, crescent, lazy or hogarth curve, minimal and free standing arrangement (Ladilad, 2000).

Moreover, for weddings, the bridal and attendants bouquet styles are largely the preference of the bride. However, several factors should be considered when selecting bouquet styles and flowers. The first is the style of the wedding gown. The size of the bride and bridal attendants also influence the styles and the size of the bouquets (Griner, 1995).



On the other hand, Wright (1970) stated that to get the returns, this depends upon the interrelationship between three factors. The volume of sales, the profit margin on those sales, and the capital investment required to sustain the volume of sales.



METHODOLOGY

Locale and Time of the Study

The research was conducted in Dimasalang, Sampaloc, Metro Manila in December 2005. The study area was the old Dangwa station in Dimasalang. This area is very popular for the flowers selling.

Respondents of the Study

There were 30 respondents that were taken from those who were regularly engaged in the floral design business in Dimasalang, Metro Manila.

Data Collection

A prepared interview schedule was used in the collection of data. The researcher personally interviewed the respondents.

Data gathered

The data gathered was on the different floral designs being produced and sold in Dimasalang, Manila, volume of production and the selling price per design, the mark-up and other services rendered by the floral designers, and the costs and returns from the floral design business.



Data Analysis

The data and information gathered from the respondents were tabulated and interpreted according to the objectives of the study. Descriptive statistics using frequency and percentage were used in the data analysis. Estimate of costs and returns per type of floral design was done.



RESULTS AND DISCUSSION

Background of the Respondents

This section presents the distribution of the respondents according to their gender, civil status and age. The respondents were also classified according to the area they were selling, the bagsakan center and the retail area. These data were presented in Table 1.

Gender. Table 1 presents that the respondents were mostly male both at the bagsakan center and at the retail area. About 86% of the respondents at the bagsakan center were male and at the retail area there were about 57%. This finding implies that there were more male engage in the flower business than the female. This maybe because this type of business needs some hauling activities where the male are needed to carry the flowers.

Civil status. The finding shows that majority of the respondents were married. Fifty seven percent (57%) of the respondents at the bagsakan center were married and about 70% at the retail area were also married. This finding implies that majority of those engage in the flower arrangement business in Dimasalang were married.

Age. The youngest respondent at the bagsakan area was only 24 years old and the oldest was 52 years old. At the retail area, the youngest was 25 years old and the oldest was 55 years old. As to their age distribution, majority of the respondents at the bagsakan center were very young with ages ranging from 24 to 31 years old. At the retail area, 39% were 32-39 years old and about 35% were 24 – 31 years old. The remaining were equally distributed between 40 -47 years old and 48 – 55 years old at 13% each.



Table 1. General Profile of the respondents by business area

CHARACTERISTICS	BAGSAKAN CENTER		RETAIL AREA	
	F	%	F	%
Gender				
Male	6	85.71	13	56.52
Female	1	14.29	10	43.48
TOTAL	7	100.00	23	100.00
Civil Status				
Married	4	57.14	16	69.57
Single	3	42.86	7	30.43
TOTAL	7	100.00	23	100.00
Age				
24 – 31	4	57.13	8	34.78
32 – 39	1	14.29	9	39.13
40 – 47	1	14.29	3	13.04
48 – 55	1	14.29	3	13.04
TOTAL	7	100.00	23	100.00

Floral Designs Usually Ordered

Table 2 presents the floral designs usually ordered by the customers from the respondents both at the bagsakan center and at the retail area. It can be perceived from the result that there was only one kind of floral design ordered by customers from the



bagsakan center, the flower arrangement design. At the retail area, all the respondents mentioned that bouquet was usually ordered by their customers. About 87% mentioned flower arrangement was usually ordered by their customers while 57% and 30% mentioned corsage and leis, respectively. The finding shows that flower arrangement was the most popular floral design mostly ordered by customers flowed by bouquet at the retail area. Very few of the respondents (30%) mentioned leis. This implies that leis is not a commonly ordered floral design. This maybe because it is only ordered during special occasion. This may also imply that very few of the respondents have skill on leis design thus the customers usually order from these seven (7) respondents.

Table 2. Floral designs usually ordered by customers by area

FLORAL DESIGN	BAGSAKAN AREA		RETAIL AREA	
	F	%	F	%
Flower arrangement	7	100	20	86.96
Corsage	0	0	13	56.92
Bouquet	0	0	23	100.00
Leis	0	0	7	30.43

Cost of Production

The cost of production refers to the cost of producing a unit of the finish floral design. This includes the flowers and other materials and the cost of labor spent in designing.



Table 3 shows that there were differences in cost of production between the bagsakan area and the retail area. In all of the kinds of floral design, the cost of production was higher at the retail area than at the bagsakan center. This was mainly due to the differences in the price of the flowers they used. The respondents at the bagsakan area can buy the flowers at a cheaper price compared to the respondents at the retail area.

There were also differences in the per unit cost of production as to size and type of design. Among the flower arrangement designs, the standing design had the highest per unit cost followed by the round or horizontal design. The center piece design had the lowest per unit cost followed by the flat spray. Among the bouquet design, the arm bouquet had the lowest cost while the cascading design had the highest cost.

It was also noted that the cost of producing a unit of the nose gay bouquet and the arm bouquet were cheaper at the retail area than at the bagsakan center. Furthermore, It was also noted that the cost of producing corsage and leis with special design was cheaper at the retail area than at the bagsakan center but for the ordinary design for both corsage and leis, it was cheaper at the bagsakan

There was also a very big difference in the cost of producing the ordinary corsage and ordinary leis compared to the special corsage and special leis. The ordinary design was very much cheaper to produce than the special design.



Table 3. Per unit cost of production by area and by type of floral design (in pesos)

FLORAL DESIGN	BAGSAKAN AREA	RETAIL AREA	COST DIFFERENCES
Flower Arrangement			
Standing			
Small	141.43	316.96	175.53
Medium	232.86	509.57	276.71
Big	338.60	732.61	394.01
Round/horizontal			
Small	118.57	430.35	311.78
Medium	190.00	604.35	414.35
Big	281.43	747.83	466.40
Basket Arrangement			
Small	68.57	113.48	44.91
Medium	120.83	223.91	103.08
Big	190.00	386.96	196.96
Flat Spray	112.86	243.91	131.05
Center Piece	55.00	111.74	56.74
Bouquet			
Hand tied	221.00	291.30	70.30
Nose gay	202.00	143.48	-58.52
Cascading	308.33	517.39	209.06
Arm bouquet	176.57	160.43	-11.14
Corsage			
Ordinary	18.57	20.87	2.30
Special	62.14	57.39	-4.75
Leis			
Ordinary	57.14	72.17	15.03
Special	222.14	176.52	-45.62



Average Selling Price and Percent Mark-up

Average selling price. Table 4 presents the average selling price of the respondents in the two locations. It was observed that selling prices were generally higher at the retail area. The selling prices for the standing flower arrangement at the retail area were more than double the price at the bagsakan center. It was noted that the price of the big size standing flower arrangement was P1,060.25. The differences in the price of the small and the medium size flower arrangement were P309.31 and P375.78, respectively. There were some products however that selling prices were higher at the bagsakan area than at the retail area. These were the nose gay bouquet, arm bouquet and the special corsage. As was observed earlier, the cost of production for these mentioned product were lower at the retail area. This implies that one source of price differences was the per unit cost of production.

Table 4. Average selling price by area and by type of floral design (in pesos)

FLORAL DESIGN	BAGSAKAN AREA	RETAIL AREA	PRICE DIFFERENCES
Flower Arrangement			
Standing			
Small	292.86	602.17	309.31
Medium	478.57	854.35	375.78
Big	657.14	1,717.39	1,060.25
Round/horizontal			
Small	241.43	659.78	418.35
Medium	382.86	882.61	499.75
Big	550	1,234.78	684.78



Table 4. continued...

FLORAL DESIGN	BAGSAKAN AREA	RETAIL AREA	PRICE DIFFERENCES
Basket Arrangement			
Small	138.57	212.61	74.04
Medium	241.67	350.00	108.33
Big	400.00	739.13	339.13
Flat Spray	253.57	465.22	211.65
Center Piece	115.71	256.52	140.81
Bouquet			
Hand tied	465.00	526.09	61.09
Nose gay	410.00	308.70	-101.30
Cascading	700.00	1,273.91	573.91
Arm bouquet	360.71	345.65	-15.06
Corsage			
Ordinary	38.57	41.97	3.40
Special	128.57	117.12	-11.45
Leis			
Ordinary	128.57	157.09	28.52
Special	457.14	389.13	68.01

Percent Mark-up.

Table 5 presents that the percent mark-up of the respondents at the bagsakan center was generally lower than the price mark-up of the respondents at the retail area. For the small and medium size standing flower arrangement, the respondents at the



bagsakan center had a mark-up of 52% while those at the retail area were 90% and 68%, respectively. For the big size, the mark-up at the bagsakan area was only 48% while at the retail area was 134%. For the round/horizontal flower arrangement, the percent mark-up by respondents in the two locations were almost the same. For the other designs the percent mark-up by the respondents at the retail area was higher than the percent mark-up by the respondents at the bagsakan center.

As found earlier, the per unit cost of production of the respondents at the retail area was higher than the per unit cost of production of the respondents at the bagsakan center. However, the percent mark-up charged by the respondents at the retail area was higher than the percent mark-up charged by the respondents at the bagsakan center. This finding implies that the respondents at the retail area were earning higher profits than the respondents at the bagsakan center.

Table 5. Percent mark-up by area and by type of floral design

FLORAL DESIGN	BAGSAKAN CENTER	RETAIL AREA
Flower Arrangement		
Standing		
Small	52	90
Medium	52	68
Big	48	134
Round/horizontal		
Small	51	53
Medium	50	46
Big	49	65



Table 5. continued ...

FLORAL DESIGN	BAGSAKAN CENTER	RETAIL AREA
Basket Arrangement		
Small	51	87
Medium	50	56
Big	53	91
Flat Spray	56	91
Center Piece	52	130
Bouquet		
Hand tied	52	81
Nose gay	51	115
Cascading	56	146
Arm bouquet	51	115
Corsage		
Ordinary	52	101
Special	52	104
Leis		
Ordinary	56	117
Special	51	120

Volume Produced

Table 6 presents the volume of products produced by the respondents per year. The result shows that for the standing flower arrangement, more of the big and medium sizes were produced in the bagsakan area but more of the small size was produced at the retail area. Each respondent at the bagsakan center produce an average of 231 for the



small size; 463 for the medium size and 634 pieces for the big size while at the retail area, each respondent produced an average of 282 small; 237 medium and 133 big.

For the rounded flower arrangement, the average production was higher at the bagsakan center than at the retail area for all sizes. For the small size the difference was about 393 pieces while for the medium size the difference was 223 pieces and for the big size the difference was 79 pieces. The same was true for the basket arrangement and the flat spray but for the center piece the average production was higher at the retail area by 128 pieces. The average production for the bouquet, the corsage and the leis, there was much higher volume of production at the retail area than at the bagsakan center. The finding shows that the average production for floral design was higher at the retail area compared to the bagsakan center. This was because there were more buyers at the retail area for than at the bagsakan center.

It was also found that among the basket arrangement, the small size was much demanded compared to the other sizes. For the bouquet, the arm bouquet was highly demanded compared to the hand tied, nose gray and the cascading. The cascading design was not produced at the bagsakan center. For the corsage, the ordinary design was more demanded than the special design. The same was true for the leis. This was because the price of the ordinary design was much lower than the price of the special design. This implies that most of the customers preferred to buy the cheaper floral designs than the dearer ones.



Table 6. Volume produced by the respondents in the two locations, in pieces

FLORAL DESIGN	BAGSAKAN CENTER	RETAIL AREA
Flower Arrangement		
Standing		
Small	231	282
Medium	463	237
Big	634	133
Round/horizontal		
Small	600	207
Medium	343	120
Big	171	92
Basket Arrangement		
Small	943	577
Medium	343	237
Big	120	83
Flat Spray	737	162
Center Piece	206	334
Bouquet		
Hand tied	51	280
Nose gay	34	425
Cascading	-	68
Arm bouquet	403	509
Corsage		
Ordinary	154	524
Special	34	305
Leis		
Ordinary	6	290
Special	3	172



Total Sales

The total sales per year by each individual floral designer is presented in Table 7. For the standing flower arrangement, total sales from the big size was the highest at the bagsakan center with almost P416,627 while at the retail area it was from the big size with P228,413. For the round/horizontal, sales from the small size in both location gave the highest with P144,858 at the bagsakan center and P136,574 at the retail area. This was also true with the basket arrangement with P130,672 at the bagsakan center and P122,676 at the retail area. In addition, it was found that the standing flower arrangement gave the highest total sales, with P705,855 among the floral design at the bagsakan center and also at the retail area, it was the bouquet that gave the highest total sales with P600,706.

Table 7. Total sales per year by the respondents in the two locations

FLORAL DESIGN	BAGSAKAN CENTER	RETAIL AREA
Flower Arrangement		
Standing		
Small	67,650.66	169,811.94
Medium	22,577.91	202,480.95
Big	416,626.76	228,412.87
TOTAL	705,855.33	600,705.76
Round/horizontal		
Small	144,858	136,574.46
Medium	131,320.98	105,913.20
Big	94,050	113,599.76
TOTAL	370,228.98	356,087.42



Table 7. continued

Basket Arrangement		
Small	130,671.51	122,675.97
Medium	82,892.81	82,950
Big	48,000	61,347.79
TOTAL	261,564.32	266,973.76
Flat Spray		
Center Piece	186,881.09	75,365.64
	23,836.26	85,677.68
Bouquet		
Hand tied	23,715	147,305.20
Nose gay	13,940	131,197.50
Cascading	-	86,625.88
Arm bouquet	145,366.13	175,935.85
TOTAL	183,021.13	541,064.43
Corsage		
Ordinary	5,939.78	21,992.28
Special	4,371.38	35,721.60
TOTAL	10,311.16	57,713.88
Leis		
Ordinary	771.42	45,556.10
Special	1,371.42	66,930.36
TOTAL	2,142.84	112,486.46



Total Production Cost

The total cost of production incurred by each seller is presented in Table 8. The result shows that the total cost of production for the standing flower arrangement was about P355,157 at the bagsakan center and about P307,588 at the retail area. For the round/horizontal design, the total cost incurred by the sellers at the bagsakan center was about P184,436 and at the retail area, it was about P230,405. Total cost for the basket design was 128,906 pesos at the bagsakan center and about 150,662 at the retail area. For the flat spray and center piece, the cost at the bagsakan center was P83,178 and P11,330, respectively while at the retail area the costs for the same floral designs were P39,513 and P37,321, respectively. The cost of production of the bouquet, corsage and leis at the bagsakan center were as follows: P88,787, P4,973, and P,009, respectively. For the same designs at the retail area, the costs were P259,384, P28,440, and P51,291.18 respectively.

Table 8. Total cost of production incurred by the respondents in the two locations

FLORAL DESIGN	BAGSAKAN CENTER	RETAIL AREA
Flower Arrangement		
Standing		
Small	32,670.33	89,382.72
Medium	107,814.18	120,768.09
Big	214,672.40	97,437.13
TOTAL	355,156.991	307,587.94
Round/horizontal		
Small	71,142.00	89.082.45
Medium	65,170.00	72,522.00
Big	48,124.53	68,800.36
TOTAL	184,436.53	230,404.81



Table 8. continued ..

Basket Arrangement		
Small	64,661.51	65,477.96
Medium	41,444.69	53,066.67
Big	22,800.00	32,117.68
TOTAL	128,906.20	150,662.31
Flat Spray	83,177.82	39,513.42
Center Piece	11,330.00	37,321.16
Bouquet		
Hand tied	10,761.00	81,564.00
Nose gay	6,868.00	60,979.00
Cascading	-	35,182.52
Arm bouquet	71,157.71	81,658.87
TOTAL	88,786.71	259,384.39
Corsage		
Ordinary	2,859.78	10,935.88
Special	2,112.76	17,503.95
TOTAL	4,972.54	28,439.83
Leis		
Ordinary	342.84	20,929.30
Special	666.42	30,361.44
TOTAL	1,009.26	51,290.74

Service Package

Aside from the production and selling of floral design, the respondents also offer other services like church decor, reception décor, and bridal entourage. The total income and total cost from the services offered are presented in Table 9. These other services were church decoration, reception decoration, and bridal entourage. The total income



derived by each respondent per year at the bagsakan center was P289,643 and the total cost was P183,750. The net income from these services was P105,893. On the other hand, the total income realized by each seller at the retail area per year was P191,391 pesos with a total cost of P153,870 and a net income of P37,522.

Table 9. Gross income, total cost and net income from other services offered

ITEM	BAGSAKAN CENTER	RETAIL AREA
Gross income		
Church décor	60,714.29	66,739.13
Reception décor	113,571.43	43,695.65
Bridal entourage	115,357.14	80,956.52
Total	289,642.80	191,391.30
Total Cost		
Church décor		
Raw Materials	30,357.14	34,565.22
Labor	14,142.86	19,239.13
Sub-Total	44,500.00	53,804.35
Reception décor		
Raw Materials	30,357.14	21,847.83
Labor	14,714.29	12,456.52
Sub-Total	45,071.43	34,304.35
Bridal entourage		
Raw Materials	57,678.60	40,478.26
Labor	36,500.00	25,282.61
Sub-Total	94,178.60	65,760.87
TOTAL	183,750	153,869.57
Net Income		
Church décor	16,214.29	12,934.78
Reception décor	68,500.00	9,391.30
Bridal entourage	21,178.54	15,195.65
Total	105,892.83	37,521.73



Costs and Returns from Floral Design Business

Table 10 presents the costs and returns analysis from the flower arrangement business at Dimasalang, Manila. At the bagsakan center, the gross income per seller was 2 million pesos with a total cost of 1 million pesos and the net income was 931,278.15 million pesos. At the retail area, the gross income was about 2.3 million pesos in one year. The total cost was 1.3 million pesos and the net income was 967,299.16 million pesos. It is apparent that the net income was higher at the retail area but the returns above total cost and the returns to variable cost was higher at the bagsakan center. The returns above fixed cost was higher at the retail area.

Table 10. Costs and Returns from floral design business at Dimasalang, Metro Manila

ITEM	BAGSAKAN CENTER	RETAIL AREA
Gross income		
Sales from floral designs	1,722,388.11	2,096,075.03
Service income	289,642.80	191,391.30
Total	2,012,030.91	2,287,466.33
Total Cost		
Raw materials	859,542.28	1,104,062.82
Labor	77,142.86	155,217.39
Utilities	25,114.29	29,634.78
Depreciation	724.76	1,934.78
Rent	103,142.86	11,008.70
Miscellaneous	15,085.71	20,243.48
Total	1,080,572.76	1,320,167.17
Net Income	931,278.15	967,299.16
Returns Above Total Cost	0.86	0.73
Returns Above Variable Cost	1.06	0.86
Returns above fixed cost	4.52	4.89



SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

This study was conducted find out the following: the kinds of floral design produced and sold by flower shops in Dimasalang, Manila, the kinds of floral design usually ordered by customers, and to estimate the costs and return from the floral design business.

There were 30 respondents in this study and all of them were operating a flower shop in Dimasalang, Manila. Majority of the respondents at the bagsakan center were male, married and 24-31 years old. At the retail area, majority were male and married and most of them belonged to the 32 -39 years old bracket.

The most common floral designs produced and sold by the respondents were flower arrangement, bouquet, and corsage. It was only the flower arrangement designs that were usually ordered and bought by customers at the Bagsakan Center while at the retail area, all the three floral designs including leis were produced and sold.

There were differences in the average cost of production between the bagsakan area and the retail area. In all the kinds of floral design, the cost of production was always higher at the retail area than at the bagsakan center. This was due to the higher cost of flowers at the retail area. There were also differences in the per unit cost as to sizes and types of design.

There were also observed difference in the average selling prices of the respondents in the two locations. The selling prices at the retail area were generally



higher than the prices at the bagsakan area. Furthermore, the difference in the price of the some floral design at the retail area was twice the price at the bagsakan center.

The percent mark-up of the respondents in the retail area were generally higher. Some were even more than one hundred percent higher. At the bagsakan area the percent mark-up in all the kinds of floral design were less than one hundred percent.

The volume of products produced was higher in the retail area than in the bagsakan center. This shows that demand for flowers at the retail area was higher than at the bagsakan area. This was evident by the multi-million pesos sales at the retail area.

Aside from the floral designs that the respondents produce and sell, they also offer special services to customers in church décor, reception décor and bridal entourage. It was also observed that there were differences in the prices of their services. As usual they prices were higher at the retail area than at the bagsakan center.

The net income per floral designer at the bagsakan center was much higher than the net income at the retail area. However, the returns above total cost and the returns above variable cost were higher at the bagsakan center except for the returns above fixed cost that was much higher at the retail area.

Conclusions

Base on the findings of the study, the following conclusions were made:

1. There were different kinds of floral designs made and sold at the Dimasalang flower market, specially at the retail area.



2. The volume of floral designs produced, the total sales, the percent mark-up, the cost of production, and net income were higher at the retail area than at the bagsakan center.
3. Returns above total cost and returns above variable cost were higher at the bagsakan center than at the retail area because of the much lesser cost of production in this location because the variable cost at the bagsakan center was much lower than at the retail area.
4. Returns above fixed cost at the bagsakan center was lower indicating that the level of fixed cost at the two locations were the same but the volume of sales was very much lower at the bagsakan center compared to the sales at the retail area thus leading to a high returns above fixed cost.

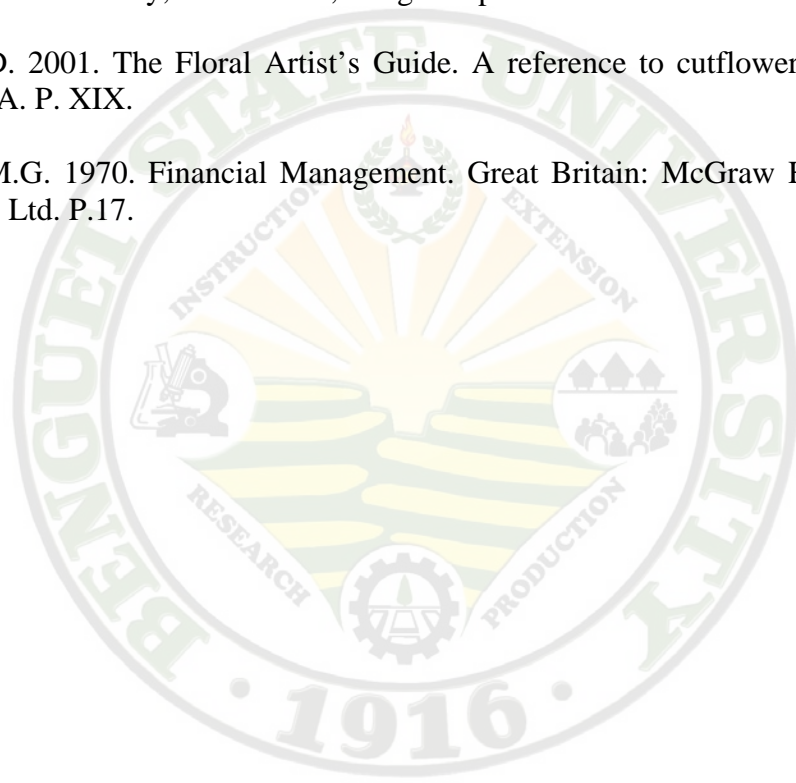
Recommendations

1. Florists must have innovations of all the floral designs they are doing. Most especially designs that are preferred by customers.
2. Florists at retail area must find way to lessen there cost of production.
3. Florists at bagsakan area must increase there volume of sales to have higher returns.



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APPENDIX

Appendix A. Interview Schedule

Name _____

Civil Status _____

Age _____

A. Floral Designs

1. What floral designs are usually ordered by your customers

_____ a. flower arrangements

_____ b. corsage

_____ c. bouquet

_____ d. leis

2. Cost of materials and labor used for different types of floral designs and selling price.

Type of floral designs	Cost of Materials			Labor used				Selling price
	Flower	Foliage	Others (basket, ribbon, etc.)	C	H	F	O	
Flower arrangement								
a. Standing								
Small								
Medium								
Big								
b. Round/horizontal								
Small								
Medium								
Big								
c. Basket type								
Small								
Medium								
Big								



d. Flat spray & center piece								
2. Bouquet								
Hand tied								
Nose gay								
Cascading								
3. Corsage								
Ordinary								
Special								
4. Leis								
Ordinary								
special								

3. What is your basis in determining your selling price?

_____ Cost and mark-up

_____ prevailing price in the market

_____ others (please specify)

4. For every occasion, what are the flower designs usually ordered? Please give the average number of orders of the floral designs for each month

Type of Designs	Weddings	Birthdays	Inauguration	Debuts	Funerals	For resale	Others
1. Flower arrangement							
a. Standing							
Small							
Medium							



Big							
b. Round/horiz.							
Small							
Medium							
Big							
c. Basket type							
Small							
Medium							
Big							
d. Flat spray & center pc.							
2. Bouquet							
Hand tied							
Nose gay							
Cascading							
3. Corsage							
ordinary							
Special							
4. Leis							
Ordinary							
special							



5. What are the service packages you offer to your customers?

SERVICES	PACKAGES		CONTRACT	NUMBER OF
	NUMBER	TYPE	PRICE	ORDER/MO.
Wedding				
Church décor				
Reception decor				
Bridal entourage				
Bridal car				
Complete package				
Other Special Oc.				
Hall Décor				
Bouquet, corsage, leis				
Complete package				

B. Employees

Number of employees _____

Basis of computing wage

Rate

Per day _____

Per piece of finish product _____

Per month _____

Others (please specify) _____

C. Utilities/Equipment/ Tools

1. What are the equipment/tools you are using in your operation?

Equipment/Tools	Year Purchased	Purchase Price	Life Span
Cutter			
Pruning shear			
Scissors			
Display rack			
Sprayer			



Pail			
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2. How ,much do you pay for stall rent per month? _____
3. How much do you pay for utilities per month?
 - a. Water _____
 - b. Electricity _____
- D. Other costs (Please specify) _____

