

# Consumer Perceptions of Lawn Fertilizer Brands<sup>1</sup>

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## Introduction

Widespread urbanization has increased the amount of residential lawns in the United States. In 2012, 67.8 million acres were classified as urban, with 78% having lawns and gardens (Cox 2012; Kiesling and Manning 2010). A healthy lawn provides many benefits, including urban heat dissipation, water quality protection, erosion control, carbon sequestration, community safety, aesthetics, and property value growth (Yue et al. 2012). To maintain a healthy lawn, nutrients need to be supplied via fertilizers throughout the growing season. Recently, excess fertilizer runoff and leaching have received much attention because of waterway pollution and eutrophication (algae blooms, which decreases available oxygen in water). This has led many states to place restrictions on what chemicals can be used in lawn fertilizers. Phosphorus has been the primary element restricted in residential lawn fertilizers because of its devastating effect on aquatic ecosystems. As urbanization and fertilizer use increase, the chance of water pollution increases as well.

There is a niche opportunity in the fertilizer industry to use and promote environmentally friendly lawn fertilizers. To accomplish this, it is important to know consumer purchasing behavior before expending resources (labor, time, and money) on sales products. The following report covers research methodology and the existing brand awareness and selection of consumers in the lawn fertilizer industry. Additionally, the report discusses homeowners' preferences

for certain fertilizer attributes. Knowing consumer awareness, selection, and attribute preferences is an important first step in studying consumer behavior toward lawn fertilizers because these factors indicate existing behavior. Understanding existing behavior reduces industry stakeholders' risks as they determine future marketing, promotional strategies, and policies.



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## Methods and Sample Summary

An online survey was used to assess consumer behavior toward lawn fertilizer brands. The survey was conducted in December 2013 and was sent to single-family households in Florida. A total of 310 households participated. Screening questions were used to ensure participants had a lawn, cared for their own lawn (versus hiring a lawn-care

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company), and had purchased and/or applied fertilizers in the previous year.

Regarding socio-demographics, respondents averaged 51 years old and the majority were male (51%). At the time of the survey, most had completed some college. In 2012, household income averaged \$63,354 and household size averaged 2.75 people. Respondents primarily owned their home and had a mortgage (61%), followed by those that owned their home with no mortgage (30%) and those that were renting the property (9%). The majority of respondents lived in suburban areas (60%), followed by those living in urban areas (22%) and rural areas (18%). The remaining sections include lawn fertilizer brand awareness and selection, traits, and a brief summary.

## Brand Awareness and Selection

A brand is a logo, name, color, image, phrase, or other descriptor used to differentiate products. Often brands are associated with standardized quality, meaning that if consumers have a positive experience with the branded product, they expect to have a similar experience the next time they purchase and use that brand. Brands have many advantages beyond standardization. For instance, brands can differentiate products, build equity, create associations (imagery, personality, etc.), and improve marketing efficiency (Hoeffler and Lane Keller 2003). Unfortunately, brands in the horticulture industry as a whole are less prevalent than in other industries. This is regrettable because brands can be used to generate customer loyalty—keeping loyal customers is easier and more cost effective than attracting new customers (Hoeffler and Lane Keller 2003). Therefore it is important to establish and maintain a brand to keep loyal customers and generate business.

In the lawn fertilizer branch of the horticulture industry, branding and the promotion of brands has been embraced. Research into lawn fertilizer branding shows that Miracle-Gro and other Scotts brand fertilizers are purchased the most frequently (Figure 1). This indicates that the Scotts brand has the most market penetration and share out of the brands listed. Turf-Gro was the second most frequently purchased brand, followed by other (includes Agway, Fertiloam, Pennington, Green Spot, organic, Weed-n-Feed, Southern States, and Ace) and Nature Safe. Because 8% of respondents did not remember their fertilizer brand, it is imperative that companies use strategies to aid retail center customers in remembering brands. Such strategies include color coding, easy to pronounce names, easy to remember logos/images, etc.

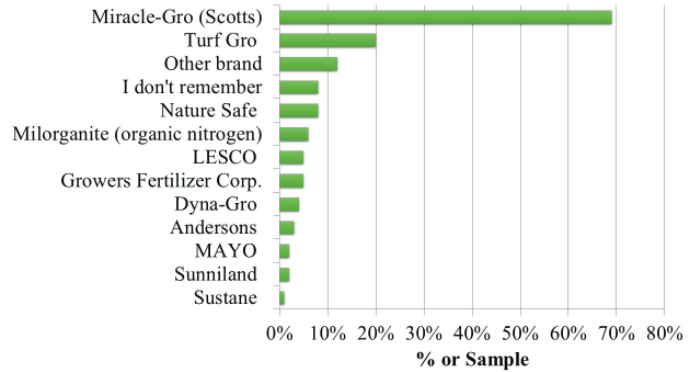


Figure 1. Lawn fertilizer purchasing frequency by brand

Most respondents (61%) indicated that they purchased a specific fertilizer brand due to perceived ‘higher quality’ (Figure 2). Positive past experiences with the brand also strongly influenced their selections. Product availability, price, environmental impact, and recommendations influenced their choices but to a lesser extent than quality and personal experiences. The results indicate that customers associate different attributes with the brands they select, which can drive their purchasing decisions. These associations can be reinforced through promotions that highlight the benefits of the different products. Additionally, experience has a strong influence on fertilizer selection. Fertilizer companies can aid customers by sending them samples to try on their home lawns. This also gives companies the opportunity to ensure that customers have a positive experience with their product(s). Customers also need to be informed of where the products can be purchased. Often, consumers will make tradeoffs for similar products if the one they are seeking is not readily available.

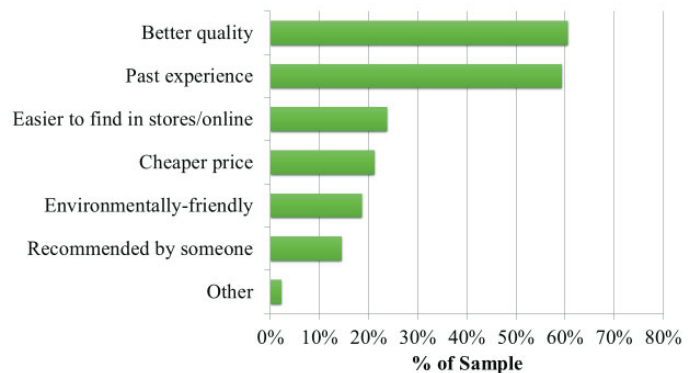


Figure 2. Homeowners' rationale for lawn fertilizer brand selection

Regarding the best means of promoting fertilizers to end-consumers, the vast majority (32%) of respondents preferred recommendations by friends or neighbors, also known as word-of-mouth advertising (Figure 3). The second best means of promotion is commercial advertisements (17%). Other category includes packaging, personal

experience, coupons, and internet searches. Few respondents sought information from lawn-care companies and extension agents. These results highlight the importance of a positive customer experience. While word-of-mouth advertising, which is free and effective, is the most trusted form of advertising, consumers also desire commercial advertisements and in-store promotions touting a product's benefits.

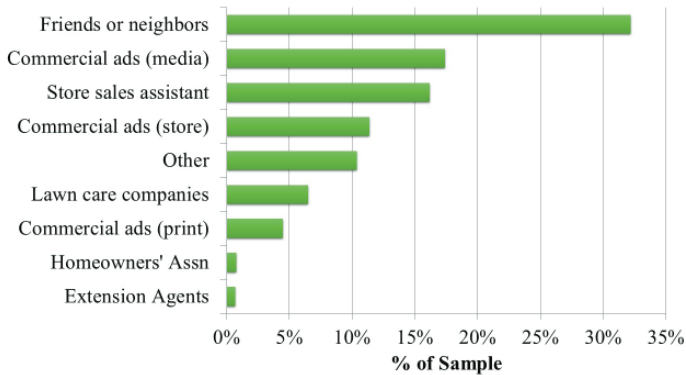


Figure 3. Source of brand information

## Lawn Fertilizer Traits

Consumers consider a variety of product traits when choosing a brand. How long the fertilizer is effective is the most important trait to consumers attribute because it reduces the frequency of fertilizer applications (Figure 4). The second most important trait is price, followed by water smart (i.e., it aids in water and nutrient uptake), quick acting, and pet and kid friendly (Figure 4). Bag size, environmentally friendly, time released nitrogen, brand, herbicide inclusion, N-P-K ratio (nitrogen-phosphorus-potassium), insecticide inclusion, and organic are also important traits.

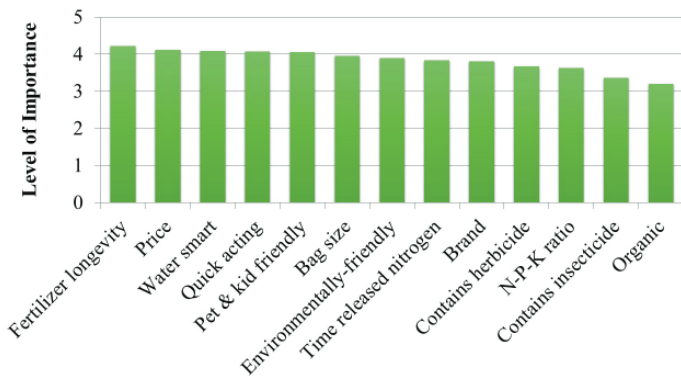


Figure 4. Lawn fertilizer trait importance (high value = more important)

## Summary

Brand influences which lawn fertilizer(s) consumers select and purchase. Scotts has the greatest market penetration and share. Consumers' perceptions of product quality and positive past experiences are the primary influences on

their opinions of different lawn fertilizer brands. Recommendations are the most trusted promotions and have the strongest impact on fertilizer selection by consumers. The most important fertilizer trait is length of effectiveness.

Overall, the study suggests that lawn fertilizer industry stakeholders could benefit from reinforcing consumers' perceptions of their brand's quality and ease of use. This could be accomplished through promotions and product samples. When consumers receive samples, they are able to try products at very little monetary risk and to form opinions based on their own experience with the product. When the product delivers outstanding results, the consumer will be more likely to purchase that product and tout its benefits to other consumers.

In summary, consumer lawn fertilizer selection and brand preferences are influenced by several factors (i.e., quality perceptions, experiences, recommendations, etc.) Industry stakeholders can take several actions (i.e., promotions, samples, etc.) to influence consumers' fertilizer selections. Ultimately, these actions benefit both the consumers and the industry. They benefit consumers by presenting an easier product selection process for having aesthetically pleasing lawns. In turn, they benefit the industry through increased product use and sales. Finally, matching consumers with the best product for their needs has the potential to also benefit the environment by reducing inaccurate and harmful fertilization practices.

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