

garden centers of america Garden retail trends report

July 10, 2013

Welcome to GCA's New Monthly Newsletter

Garden Centers of America (GCA) has a renewed vigor and is continuing to expand the services available to you. As part of this expansion, we have revamped the whole concept behind our monthly newsletter. It is the goal of GCA to provide you with the information and resources to help you grow your business. Garden Retail Trends Report is designed to keep you on top of what's hot in retailing, both within the industry and out.

For Independents, Customer Service Is 'Ace in the Hole'

IGC retailers can take a cue from Ace Hardware. A recent survey gauging customer satisfaction among home improvement retailers places **Ace at the top for its staff and service, among other factors.** The hardware store has 4,700 stores around the world, of which more than 4,600 are independently owned.



The J.D. Power & Associates 2013 Home Improvement Retailer Satisfaction Study measures home improvement stores based on their performances in five areas. It shows **staff and customer service have the highest impact on customer satisfaction and are the biggest factors in determining repeat visits.** Among customers of stores that posted a mediocre score in these areas, 27 percent say they "definitely will" purchase at their primary retailer again, and 30 percent "definitely will" recommend the store to others. Among the highest ranked retailers, these percentages go as high as 32 percent and 43 percent, respectively.

These stats drive home ways independents can take back a share of the market claimed by the boxes - by winning customer loyalty and generating word-of-mouth advertising through memorable customer service. **With a customer satisfaction index rating of 803 out of a possible 1,000, Ace Hardware beat out Lowe's, The Home Depot and other box stores to receive the highest ranking for the seventh year in a row.** To reach the top spot, Ace had to provide excellent staff and service. Specifically, the survey measured availability, courtesy, knowledge, ease of checkout and ease of returning merchandise at each store.

The overall score was also determined by: store facility, including ease of finding merchandise, cleanliness, store layout and design, availability of parking and convenience of store location; merchandise, including availability, variety, usefulness of product information displays and selection of brands available; price; and sales and promotions.

Bold Garden Design Elements Win Fans & Followers

Bold, daring designs are rewarded with followers attracted to all things fresh, new and different. Position your garden center as a trendsetter that attracts a style-conscious fan base by incorporating these garden design elements from LandscapingNetwork.com's list of 2013 Landscaping Trends into your display gardens and merchandising presentations:



Splashes of Color. Adding vivid splashes of color to a garden gate or other architectural element is popular with gardeners looking for a cheerful, eye-catching feature. Among the hot colors: red, purple, pink, yellow, blue and lime green.



Black Fencing. The choice to use black fencing is growing as homeowners gravitate toward a dark, dramatic backdrop. It can make a small garden feel larger and provides a stunning contrast to white blooms.



Mexican Beach Pebbles. These smooth, dark pebbles are growing in popularity as an alternative to mulch, providing a clean, attractive, low-maintenance option for your customers.



Hi-Tech Yards. With today's technology, fire pits can be turned on and off remotely using an iPad, along with other backyard favorites like water features and louvered patio covers.



Adirondack Chairs. Show your customers how this classic garden staple can find renewed life with a bright coat of paint, padding for comfort and a footrest.



Succulents. The current stars of the gardening world, succulents have skyrocketed in popularity because of their low-maintenance, drought-tolerance and easy-to-multiply characteristics.



Ornamental Grasses. Suggest planting in mass plantings or starting with low-growing varieties.



Natural Gardens. Giving customers plenty of native plants to choose from will help them hop on this trend.



Fire and Water. Today's trend pairs fire and water together to create a stunning contrast. Fire adds ambiance to water features and creates a glow that is more appealing than artificial lights.

Increase in DIY-ers Means Sales Opportunities For IGCs

More Americans are taking on do-it-yourself lawn and garden projects, opening up opportunities for IGC retailers to position themselves as the go-to places for expert help. The 2013 National Gardening Survey by the National Gardening Association reports an increase of 2 million more households engaging in self-care of their outdoor spaces in 2012, translating to an extra \$354 million in retail sales of lawn and garden products.

Now Trending in Garden Retailing . . .

- According to Bing Ads 2013 Springtime Trends, the **Lawn and Garden category accounted for the most searches on the Yahoo! Bing Network (33%)** among all house and garden industry categories.
- **"Paper or plastic?"** won't be a question commonly heard in Los Angeles grocery stores anymore - the city's mayor has signed a plastic bag ban into law for supermarkets. Does your garden center offer an alternative to plastic bags, such as a reusable tote with your store's logo?
- **Moms value safety, convenience, nutrition and "green"** when it comes to selecting products for their families, according to punchbowl.com. Emphasize your organic offerings to appeal to Gen X / Gen Y's desire to make the lawn and garden safer for kids, pets and the environment.

Watch Out! Organized Retail Crime Is On the Rise

An uptick in retail crime activity should have you keeping a careful eye on your garden center shelves. While potted plants are difficult to shoplift, smaller gift items and hardgoods that can be easily slipped in someone's purse or pocket could be the targets of seasoned organized retail crime gangs.



The National Retail Federation's ninth annual Organized Retail Crime (ORC) Survey finds that **93.5 percent of retailers say they have been a victim of organized retail crime in the past year.** For the past three years, more than 90 percent of the retailers surveyed said they were victims of ORC. Eight in 10 retailers believe ORC activity in general in the United States has increased during the past three years.

Of the senior loss prevention executives surveyed, 77.8 percent said they have experienced store merchandise credit/gift card fraud, making it the leading form of ORC. Retailers are the victims of experienced boosters who return stolen merchandise without a receipt to receive store credit via gift card, then turn around and sell the store credit/gift card for cash to secondary markets like pawn shops and check cashing stores. The second most common form of ORC is called eFencing. After the thief has stolen the goods, she puts them up for sale online.

Overall, industry experts and law enforcement officials estimate that retailers lose \$30 billion to ORC each year.

Garden Centers Are a Go-To for Consumers Seeking Info



When people plan their spring gardens, they look to their social circle for gardening advice and information, according to the Garden Writers Association Foundation's *2013 April Gardening Trends Research Report*. Nearly half (47 percent) of the respondents who have a garden planned to gain knowledge from their friends and neighbors. Are you tapping the importance of word of mouth referrals with your marketing efforts in social media? (Don't miss Kyle Lacy's IGC Know2Grow Retail Conference track, "Digital Marketing for IGC Retailers," at next month's IGC Show, August 20-22, Navy Pier, Chicago!)

Garden centers, nurseries and classes came in a close second, with 44 percent of respondents planning to turn to you for information. Make sure you're giving them what they need via signage, customer service and classes. Staff who are friendly and approachable are more likely to make your store the go-to place for garden expertise.

Rounding out the top five sought-after sources for gardening information are magazines and newspapers (34 percent), books (32 percent) and television (18 percent).

For Your Customers Who Favor Formality in the Garden

For your seasoned customers who want a more formal garden, share these inspirations from HGTV:

Geometric patterns - To elongate a small garden, tell your customers to create a line of lawn squares that leads up to the house, with breaks in between created by pebble pathways. Framing the green squares of lawn on either side with blocks of muted, soft yellow and blue herbaceous plants keeps everything in its place. Symmetrically spaced pleached lime trees along the outside of the garden lends to the regimented beauty.



Framing with topiary - Lawns are given shape and symmetry when topiaried boxwood hedges frame all four corners and form a pattern. Placing a focal point, like a sundial, in the middle of the lawn enhances the perfection of the design.



Formal focal points - Striped lawns can lead the eye toward a focal point like a water feature. While plantings on either side of a strip of striped lawn are usually symmetrical, the differing heights and colors of a planting can play off the one-note green grass.



Bordered lawns - Bordering a circular section of a striped, formal lawn with traditional English-garden plants and rustic walls provides a stunning centerpiece. A planting of long meadow grass outside the walled space provides a nice contrast between formality and informality.



Kicked-Up Window Boxes



If you fill your window box displays with bright blooms and call it a day, consider giving them a makeover that will make your customers do a double take. The *Illawarra Mercury* news outlet in Australia reports on the trend of mixing in herbs and shallow-rooted plants like radishes and lettuce to turn window boxes into raised-bed gardens. Others are using flags and miniature gazing balls to create charming, themed boxes.

TAKE ADVANTAGE OF YOUR GCA MEMBERSHIP BENEFITS



Save Big at IGC 2013!

GCA Members save \$100 on each IGC Know2Grow Retail Conference Passport registration during the early bird registration period, and \$60 off each IGC Show Garden Center Bus Tour registration!

Other benefits include:

- Two free drink tickets per company for use at Wednesday night's reception and concert.
- Special reserved seating at the 38 Special concert Wednesday night. Be sure to come early - seating is limited!

Login to get your discount code before registering. IGC Show Registration: [Click here.](#)