

# garden centers of america Garden Retail Trends Report

June 11, 2015

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.



## Overtime Rule Revisions Could Hit Mid-Level Managers at Garden Centers Nationwide

Proposed changes to federal overtime regulations could have garden centers across the country scaling back mid-level management positions in favor of more hourly workers. The Department of Labor is proposing revisions that are expected to raise the amount of earnings an employee must make to be guaranteed overtime. The current standard for employees is \$455 earnings per week, but the Obama Administration's changes might raise that amount to \$610, \$808 or \$984 per week, according to the "Rethinking Overtime" report from the National Retail Federation.

Raising the amount of workers who would be guaranteed overtime could negatively impact the mid-level managers who are currently exempt from overtime rules, and it might cause retailers to reduce employee benefits and compensation and add more part-time and hourly workers.

An NRF survey of retail managers shows that the majority do not favor these types of changes in federal overtime regulations. Eighty-one percent of those surveyed felt customer service would suffer, and 75 percent said the changes would diminish the effectiveness of employee training and hinder their ability to lead by example.

## Go Ahead & Ask Your Customers to Give to Charity at the Checkout - They Like It!

If you think that asking your garden center customers to donate to a charity at the checkout is a turnoff, think again. A survey from the Good Scout Group shows that customers like to take advantage of opportunities to give to a good cause while running their shopping errands. According to the report, 71 percent of those surveyed donated to a charity at the register.



The type of charity plays a big part in whether a customer feels compelled to donate. Survey respondents said charity brand recognition is the No. 1 reason they feel compelled to donate, and a personal connection to the charity was the second reason.

More positive results show the experience of donating at the register leaves a lasting impression on your customer. Nearly half of the shoppers surveyed remember the last charity they donated to while checking out, and 79 percent felt good about donating.

## Here's How to Hire 'The Best' for Your Garden Center

If you're looking to beef up your garden center's staff, here are some tips you can follow to make sure you're hiring the best people for the job. Consider these five ways to improve your retail hiring process, from Doug Fleener of Dynamic Experiences:

- **Stop requiring applicants to have retail experience.** There are three things to look for in a new hire: (1) someone who is passionate about working with people; (2) someone you find interesting; and (3) someone you will enjoy working with. You can teach someone everything there is to know to be successful at your garden center, but you can't teach someone to care about people, and you can't teach someone to be engaging and interesting.
- **Interview as many people as possible.** Most employers end up rejecting people because their resume isn't great or their e-mail correspondence isn't impressive. Interview them anyway - you might still find the candidate is passionate about working with people, is interesting and has a great personality.
- **Use group interviews.** Group interviews are a great way to find the best person in a pool of applicants. Make the interview a fun experience with role playing and sales/service scenarios. The people who don't really want to work in retail won't be able to hide it.
- **Increase the amount of your referral bonus.** Make the payout such an incentive that your employees are always recruiting.
- **Find people before you need them.** Be on the lookout for high-quality candidates. Take notice when someone gives you great service or you meet someone who has positive energy. Thank the person for the great service and invite him to your garden center for an appreciation gift - then recruit him.



## Millennial Buying Habits Are Changing Consumer Spending



Millennials, also known as "Generation Y," are the largest generation. Almost 80 million people born after 1980 and before the early 2000s make up this influential demographic and nowhere has their influence been more keenly felt than the retail industry. CBS News senior business analyst Jill Schlesinger joins "CBS This Morning: Saturday" to discuss how Millennials are not just redefining traditional retail, they're also redefining ownership and what it means to them. Check out this video link, above.



## Break These Bad Habits & Watch Your Staff Transform Into Sales Ninja Warriors!

As the saying goes, bad habits are hard to break - but they must be broken on the sales floor. Here are the top 10 bad habits that your sales staff needs to break now to help ring more sales at your garden center, from Kevin Cundiff of Foretrga:

10. **Low self-confidence.** If your salesperson isn't confident in your product or in the act of selling, your customers won't be confident about purchasing.
9. **Leading with price.** Once price is established, it has to be overcome with value. This can be difficult when customers are already turned off by the price. Using their knowledge of the customer's needs, your sales staff should build a mountain of benefits that will outweigh the cost they present later.
8. **Failing to close.** When your sales staff presents the value of the product without a closing statement, the result is awkward silence. At the end of the benefit presentation, they should use a soft closing statement like, "How does that sound?" or, "We'll set that up for you, sound good?"
7. **Failing to connect.** When salespeople learn nothing about their customers, it's difficult to inform them how products and services could enhance their lives. Tell them to take time to learn about customers' needs, and link those needs to the right product or service.
6. **Too much terminology.** Using dazzling lingo to describe your garden center's offerings doesn't help your sales staff sell more. While certain terminology might be commonplace in your world of garden retail, it's likely foreign to your customer. Your staff should talk about products using vocabulary your customers are used to.
5. **Believing you're short on time, and (4) believe you're too busy.** These two are related. We're all busy, but your salespeople still have a job to do.
3. **Overwhelming customers with everything at once.** Sometimes knowing the product isn't the problem. It's knowing how and when to use that knowledge that can make all the difference. If the salesperson has made a connection with the customer, he should demonstrate that he's been listening, and present only the information that will resonate with the customer.
2. **Clerking.** There is a difference between facilitating a transaction (a.k.a. clerking) and selling. Don't let your sales staff be clerks. They should establish value before they get to the register.
1. **Not selling to everyone.** Approach everyone. Remember you lose 100 percent of the sales you don't offer.

## Step Up! Millennials, Boomers On the Same Page When It Comes to Customer Service

New research shows that the generation gap in expectations among your garden center customers is narrowing. Millennials and Baby Boomers alike now have similar demands, according to data released by Nuance Communications.

The research shows that higher expectations are common across all age groups. Here are some highlights:

- Eighty-seven percent of consumers say customer service has a significant impact on their decision to do business with them.
- Two-thirds of consumers say they have ended a relationship with a company because of a bad customer service experience.
- Being unable to get help from a "real person" is the top pet peeve for Millennials (32 percent), Gen X (30 percent) and Baby Boomers (47 percent).
- Eighty-seven percent of consumers say they are interested in receiving proactive sales messages from companies they do business with.



## Now Trending in Garden Retailing . . .

- Cash in on Fourth of July by promoting everything your customer needs to make their outdoor spaces ready for a patriotic picnic or barbecue. Last year, **more than 60 percent of people planned picnics/cookouts for their Independence Day celebrations**, reports NRF.
- Consumers are becoming savvier with digital tools that add to their shopping experiences. **Ninety-six percent of consumers use both a retailer's website and physical store while shopping**, reports CFI Group.
- Garden centers have more reason to reach their customers on their smartphones/tablets. **Seventy-six percent of shoppers polled in the Retail Satisfaction Barometer 2015 want personalized promotions and recommendations sent to them on their devices.**

## TAKE ADVANTAGE OF YOUR GCA MEMBERSHIP BENEFITS

### GCA Summer Tour, Milwaukee, June 21-24



This year's GCA Summer Tour turns the spotlight on leading and innovative retailers in the Milwaukee area - plus lots of local flavor and color!

Network with your fellow garden center professionals and energize your business with fresh retail strategies driven by the best practices proven to power profits. Tour-goers will have the opportunity to take advantage of the area's many dining and entertainment opportunities, including the Milwaukee RiverWalk, a 2-mile excursion that winds along the river with access to some of the city's best restaurants, brewpubs, shops and waterfront nightlife.

Register today at [GardenCentersofAmerica.com](http://GardenCentersofAmerica.com).

### Save Big at IGC East and IGC Chicago!



GCA Members save \$100 on each IGC Retail Conference "All-Access Pass" Package 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 the IGC Show receptions and the **Tuesday evening FREE party and concert**, featuring the **Gin Blossoms LIVE!**
- Special reserved seating at the **Gin Blossoms concert** - be sure to come early, seating is limited!
- **GCA Member Networking Lunch at IGC Chicago**

Enter the promo code **GCASAVE** when you register:

IGC East Registration: [Click here.](#)

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