



## **2011 Retail Garden Center Market Outlook**

*A look ahead to 2011 for retailers and  
those serving the garden center market*

## Introduction

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Every summer, the editors and business staff of *Today's Garden Center* magazine gather for a day of intense market discussion regarding the trends, challenges and opportunities facing the market. We ponder and debate the forces shaping the market and their implications on retailers, growers and the suppliers serving those businesses. What emerges helps us craft the following year's strategic plan and major coverage areas.

Given the challenges we are all facing, we want to share our perspective with you in the hope that our insights can help your team with its planning for 2011.

## Sales Trends

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After a strong early spring, sales sagged through May and June leaving the industry flat to last year at best, although some retailers are reporting growth over last year. Growers are generally reporting better results than retailers, which would seem to indicate a glut of plants remained at retail well into summer, which translated to considerable discounting. As with 2009, sales of big-ticket items (pottery, statuary, furniture, trees, etc.) are particularly slow, although retailers finally seem to have brought down their inventory levels on these categories to manageable levels.

## Eco/Organic Products

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Sales of "eco/organic" products continue climbing. Although sales of these products are still just a fraction of sales of traditional fertilizer and control products, these newer, alternative products have achieved critical mass so that all garden centers have to stock them now.

## Herbs/Veggies/Edibles

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Sales in this category also remained strong in 2010, encouraging more garden centers to carry them. Again, sales of these products remain just a small portion of retailers overall live goods sales, but they represent a growth opportunity as well as an opportunity to increase customers' visits to a retailer. Sales here should only continue to climb in 2011 and beyond as the "grow your own" concept catches on with even more homeowners and supply of these products increases from growers.

## Just-in-Time Ordering

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Retailers continue ordering product later and closer to when they expect to sell it in order to minimize their risk and protect their cash flow.



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## Gen X & Y Customers

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Concern remains about the degree to which Gen X and Gen Y consumers will embrace gardening and become garden center consumers. In particular, will they evolve into customers to the same level as Baby Boomers have? If these younger generations don't invest the same time and energy in their yards that their parents did, will this be due to a preference for "Do It For Me" services and increased business for landscape contractors? Regardless, the shopping experience that these younger individuals expect and are looking for clearly differs a great deal, and that will challenge retailers to think and act differently. Merchandising and marketing will be more important than ever, and many retailers will likely struggle to adapt to the interests and needs of these consumers.

## Big Boxes

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The big box retailers, particularly Home Depot, Walmart and Lowe's, continue expanding their presence in the industry and moving a greater share of the total plants sold every year in the U.S. These companies have all scaled back their new store openings during this economic downturn, but growers are increasingly focused on these big sales opportunities.

## About Today's Garden Center

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Every month the retail garden center community gets its dose of news and analysis from *Today's Garden Center* magazine, [TodaysGardenCenter.com](http://TodaysGardenCenter.com), and *Today's Garden Center eNews* (weekly). *Today's Garden Center* is the undisputed leader in information gathering and disseminating and is trusted by more marketers to carry their product and service message to retailers than any other media in the industry.

*Today's Garden Center* is a proud member of the Meister Media Worldwide family of media and marketing services specializing in specialty ag and horticulture markets. [www.MeisterMedia.com](http://www.MeisterMedia.com)

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