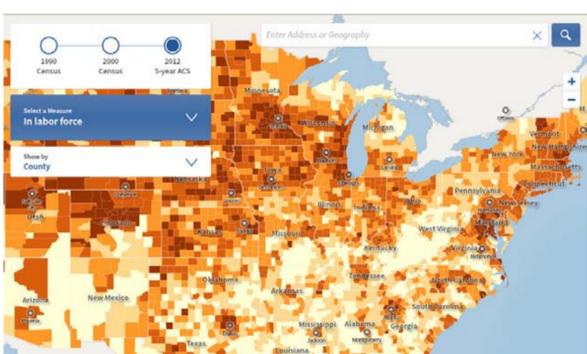


garden centers of america Garden retail trends report

February 10, 2014

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.



GCA Hot Tip! New Census Bureau Map Gives You Demographic Info with Quick Click of the Mouse

Detailed demographic info that will help you precisely target your marketing and merchandising is now a just click away, thanks to the U.S. Census Bureau's new interactive mapping tool, Census Explorer. The application uses updated statistics from the 2008-2012 American Community Survey to give you access to key neighborhood-level stats for your garden center, including total population, percent of people ages 65 and older, foreign-born population percentage, home ownership rate, median household income and more. You can also compare statistics from the 1990 and 2000 censuses to see how your community has changed over the years. Access Census Explorer here: <https://www.census.gov/censusexplorer/>

Kyle Lacy, IGC Retail Conference Track Leader: Get Your Social, Mobile Plan Together Now

You've got to have a plan in place to make social and mobile marketing work for your garden center, says Kyle Lacy, Senior Manager of Content Marketing and Research at ExactTarget and a track leader at IGC Chicago and IGC East. The 2014 State of Marketing report by ExactTarget has these tips that will help you focus your garden center's efforts.



For social media strategies, it says:

Start small. Evaluate available social media channels and create a pros and cons list for each. Choose one or two channels to focus your efforts on first - then you'll be able to scale successful strategies to other channels more easily later on.

Hone in on clear objectives. Establish measurable goals to avoid uncertainty in determining if your social media efforts are performing. Add consistency to the list, and create metrics around how often you will post content, how quickly you'll respond to customer messages, etc.

For mobile marketing strategies, ExactTarget says:

Don't ignore the importance of mobile. For most garden centers, mobile is still a largely untapped opportunity - consider if it's right for your store. Observe what pioneers in mobile are already doing and see if any of those strategies are relevant to your customers.

Integrate your mobile efforts. Map your broader marketing strategies alongside your mobile strategy to determine areas where the two could work together. Bringing your e-mail and mobile efforts together can be one of the easiest ways to see instant returns.

Don't miss Lacy's IGC Retail Conference track, "Profitable Online Marketing Strategies," this August. Register today at IGCShow.com. Attendees registering by March 31 are eligible to win a \$5,000 trip anywhere in the world!

Make It Quick & Easy so They'll Garden More

The main factor that affects your customers' gardening activities is time, according to a recent survey from the Garden Writers Association Foundation - so make it quick and easy for them with displays organized by project that have everything they need to grab and go right there.

Other survey findings show how consumers rank the following categories, based on their interest level: food gardening, 60%; earth friendly gardening, 43%; organic gardening, 42%; native plants, 39%; web-based gardening information, 27%; and garden blogs, 7%. Is your store stocked for spring to fill these interests?

Now Trending in Garden Retailing . . .

- **Fifty-eight percent of small businesses say they were able to expand their products and services with green offerings** during the recent economic downturn, according to a Green America survey. Of this group, **84% said their investment in these new green products and services has been rewarded with increased sales.**
- Assortment is paramount with consumers, who recently gave **broad product selection a 4.2 on a scale of one to five, with five being "very important,"** in a retailer and consumer survey by Shop.org.
- **By 2017, 60 percent of all U.S. retail sales will involve the Internet,** either as a direct e-commerce transaction or as part of a shopper's research on a laptop or mobile device, according to a new report by Forrester Research, "U.S. Cross-Channel Retail Forecast, 2012 To 2017."

TAKE ADVANTAGE OF YOUR GCA MEMBERSHIP BENEFITS

GCA Summer Tour, San Francisco, June 22-25



This year's GCA Summer Tour takes you to the Bay Area's Best - spotlighting leading and innovative retailers in San Francisco, San Jose and the East Bay Area, and Sacramento - 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. Wine tastings, specialty dining and other exciting events are being planned now. Join us in recognizing the father of modern garden center design, Ernest Wertheim, a principal of Wertheim, Van Der Ploeg, & Klemeyer and a longtime Bay Area resident.

Save the dates today. Registration opens soon.

Save Big at IGC Chicago and IGC East!



GCA Members save \$100 on each IGC 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 the events' receptions and concerts
- Special reserved seating at the concerts - be sure to come early, seating is limited!
- GCA Member Networking Lunches

GCA Legislative Alert! New York State Bill Would Create Red Tape for Garden Centers Selling Pesticides

A bill that would amend New York's Environmental Conservation Law, requiring retailers in the state to provide detailed reports of pesticide sales, including general-use pesticides, is under close watch now by garden centers nationwide.



The proposed changes would mean more red tape for the state's garden centers that offer and sell pesticides. They would have to maintain records of all retail sales of the pesticides by county, the bill says. Specifically, these records would

include EPA registration number; product name of the pesticide sold; and total quantity of the pesticide sold during the calendar year. In addition, it says retailers would be required to file, "at least annually," an electronic or printed report with this information to New York's Department of Environmental Conservation.

The proposal does not apply to minimum-risk pesticides, general-use antimicrobial pesticides that aren't subject to the state's pesticide applicator certification requirements, general-use pesticide products applied to clothing or skin, or general-use aerosol products in containers 18 ounces or less. However, there are more stringent reporting requirements for retailers selling restricted-use pesticides.

IGC retailers interested in voicing their concern may contact Joe Martens, Commissioner of the New York State Department of Environmental Conservation, 625 Broadway, Albany, NY 12233-1010.

The Mass Market for Garden Centers: Consumers on the Cusp of Ultra-Affluence

HENRY (High Earners Not Rich Yet) consumers, "lower-income" affluents with incomes between \$100,000 and \$250,000, are replacing the cash-strapped middle class as the new mass market for retailers at all price levels, according to market researcher Unity Marketing. While they spend about half as much as ultra-affluents, they are greater in number - 21.6 million households strong. This means the total value of the HENRY market is about *four times* that of the ultra-affluents. Marketing to this group now could help ensure your HENRY consumers remain loyal to your garden center when they reach that ultra-affluent status and have even more money to spend.



Armstrong Leads With Space-Efficient Store Layouts

Armstrong Garden Centers' Dublin, CA, location is a tightly run ship. The store's design makes the best use of its small urban lot. To keep the garden center running efficiently, less than 1,000 square feet is dedicated for storage and receiving, and there is never any back-stock of product or plants.

Armstrong, ranked No. 1 in *IGC Magazine's* IGC 100 report with \$138.5 million in sales (with Pike Nurseries), is just one of the many garden center hot spots featured on this year's GCA Summer Tour, which heads to San Francisco June 22 - 25.

Mark your calendars now. Registration opens soon.

