

garden centers of america Garden retail trends report

June 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.

Put a Stop to Shoplifting Without Spending a Dime

Shoplifting is a problem that can cost your garden center preventable losses from opportunistic and sophisticated criminals raiding your store shelves.



A recent study by the Centre for Retail Research estimates America's retailers lost \$8.9 billion this past holiday season to shoplifting, vendor fraud, deceitful employees and other problems. A National Retail Federation and University of Florida survey shows 96 percent of America's retailers were victims of shoplifting in 2011, losing as much as \$12 billion as a whole.

You could spend top dollar on safeguards and anti-theft technology, but there are also no-cost measures that will protect your garden center from shoplifters, according to *The Washington Post*.

Ramp up your customer service. Greet customers when they walk in, and make it clear you'll always be nearby if they need help. If a customer exhibits suspicious behavior, ask her follow-up questions like, "Are you shopping for yourself, or are you shopping for a gift today?" If she is a well-meaning customer, you are simply being attentive and providing excellent customer service; if she is someone with bad intentions, you may have just deterred her from stealing.

Make sure your displays are clean and organized. Tidy, organized displays not only sell more product, they tell customers you'll notice if something goes missing. Conversely, items displayed out of place send the message "nobody will miss this" to those looking to get something for nothing.

Keep frequently stolen items in plain sight. You probably know which items are pocketed most at your garden center. Place these targets in open areas where everyone can see them, or by the cash register where staff members can keep an eye on them.

Encourage your employees to wander. When your employees walk around your store, outdoor display areas and greenhouses, urge them to take a different route every time. Rather than going straight through the center of the store, coach them to take different aisles, walk along the wall or take a path that moves through well-hidden blind spots.

Positive Housing Data Points to New Opportunities for IGCs

The current momentum in the housing market will likely lead to increased sales at garden centers, as homeowners undertake renovations and invest in home improvements, according to the National Retail Federation's *Retail's BIG Blog*.

The latest S&P Case-Shiller 20 City Home Price Index jumped 9.3 percent over last year, and construction on new homes in March broke an annual pace of 1 million for the first time since June 2009. These increases point to growth in employment and incomes, usually resulting in an increase in consumer spending.

Consumers with more money will want to improve the comfort and beauty of their dwellings - including investing in their homes' outdoor spaces. Are you ready for the uptick in demand?



Landscaping Inspirations from Our Neighbors to the North

After a cool, wet start this spring in many regions in the country, our customers will be looking to soak up the sunshine and enjoy the warm weather in their backyards this summer. Help them create a pleasant outdoor living space by offering the latest in landscaping with these fresh concepts trending in Canadian outdoor spaces, from builder Fieldgate Homes.



Long grass/cereal plants. Long grasses give the yard the look of a well-manicured golf course.



Chiseled stone. A patio made from chiseled stone blends into nature and matches well with other stone creations, such as outdoor fireplaces and retaining walls.



Boxy borders. The fluid, rounded edges of borders that made an appearance in previous years are being replaced by boxed edges and simplified geometrical patterns around flower beds and walkways.



Eye-popping colors. Colorful wildflowers and other vibrant plants are back to provide a visual feast in home gardens.



Eco-walls and vertical gardening. Not only useful for confined spaces, vertical gardens can be used to create outdoor privacy areas or as interesting outdoor sculptures.



Sustainable landscapes. Standard landscape plants are more frequently being passed over by consumers who embrace a sustainable lifestyle and seek a mix of fruit and vegetable plants with their ornamentals.



Outdoor entertainment. Audio and video equipment, including outdoor flatscreens, are letting people lounge outdoors while enjoying modern technology.



Bring the inside, out. Outdoor living spaces created by partial shade huts and chaise lounges make the outdoors a sought-after location to kick back.

Now Trending in Garden Retailing . . .

- **Outdoor living rooms and screened porches**, along with **outdoor kitchens and vegetable gardens**, are hotter than ever this summer, ranking in *Realtor Magazine's* 13 Hot Home Trends for 2013.
- Garden centers are in good company when it comes to small business. The NRF Retail Insight Center reports that **95% of retail companies have just one location, and 77% have fewer than 10 employees.**
- Bringing green goods to new heights on walls and rooftops is a trend Fresh Home Design & Architecture places in its Top 10 in 2013. Vertical gardening features such as **mobile plant panels** and **framed plant screens** tap the popular trend.

TAKE ADVANTAGE OF YOUR GCA MEMBERSHIP BENEFITS

GCA's Summer Tour - Ohio: Registration Is Open!



The GCA Summer Tour, June 23-26, takes IGC retailers to the heart of the "Garden Center Belt," with even more best practices, emerging trends and proven strategies than ever before.

This year's GCA Summer Tour heads to not one but four major metropolitan areas in Ohio, giving IGC retailers the unprecedented opportunity to see first-hand what puts the host garden centers at the top of their markets. The guided bus tour will visit a full roster of garden centers in Cleveland, Dayton, Cincinnati and Columbus for a behind-the-scenes look at the best practices that drive their profits.

Sign up today! [Click here.](#)

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!
- GCA Member Networking Lunch on Thursday.

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

Chelsea's Trends Tracked Closely by U.S. IGC Retailers

Each year, the RHS Chelsea Flower Show in London spotlights the trends that could make their way stateside soon. Here are some of the hot finds from our friends across the pond spotted at this spring's



Chelsea showcase, courtesy of www.allaboutyou.com, a Hearst Magazines U.K. digital publication:

White in the garden - The contrast of white against dark foliage brings unity to plantings and lightens the landscape. White peonies, Iris sibirica 'Dulas' and bearded iris were some of the pale blooms on display this spring.



Insect shelters - Creative bee "hotels" made from hole-drilled log sections are interplanted with succulents to create a decorative and functional garden feature that welcomes the pollinating insects.



Umbels - These light, frothy plants that carry flowers on the end of short, spoke-like stems add architectural structure without being heavy.



Living walls - These features, which work especially well for our space-challenged customers, made their strongest appearance yet at Chelsea.

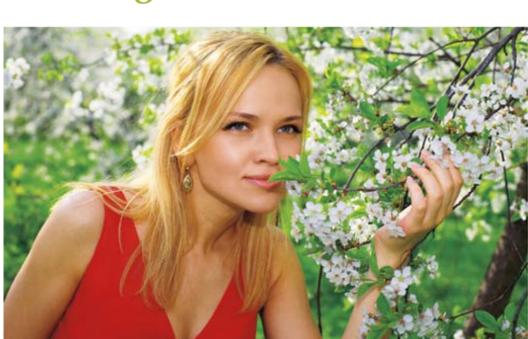


Natives - Almost all the gardens at the show used native species, and there was a larger-than-usual presence this year.



Edibles and ornamentals - A mixture of edibles and ornamentals made an appearance in more formal gardens at this year's show.

Your Customers Come to You to Indulge Their Senses



A survey just released by C&T Marketing Group offers new insights into why consumers seek out the brick-and-mortar store experience instead of shopping exclusively online: They are looking for a multidimensional experience that puts all their senses to use.

Give these customers what they desire at your garden center by showcasing fragrant blooms and scented candles, home decor they can touch, dynamic visual merchandising that catches their eye and fountains that fill the air with the soothing sounds of trickling water.

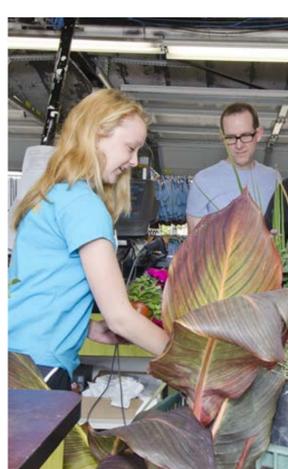
Marianne Bickle, Director of the Center for Retailing at the University of South Carolina, developed the survey and says the findings also show that consumers crave the social aspect of shopping and covet the convenience of touching an item and buying it on the spot without the hassle of shipping. Most often, they shop with a companion and combine shopping with a meal or drink.

The survey reveals that customers buy more at a store than they would through a website. Profit from this trend by placing impulse items in convenient displays that grab the attention of those shoppers who enter your store for something in particular and leave with more add-ons.

Another interesting fact from the survey: Only 19 percent of shoppers prefer to shop online exclusively, and only 14 percent "showroom" on a regular basis, looking at an item in the store and then buying it for a cheaper price online.

Customer Service Really Does Make the Difference

How important is customer service, really? Two-thirds of consumers would be willing to spend 13 percent more, on average, following an excellent customer service experience, according to Resource Nation. In comparison, 55 percent of customers would stop purchasing from a company that provides poor customer service. Employees who are knowledgeable and engaged deliver a better customer service experience and close 33 percent more sales. More important customer service stats to consider:



- E-service through websites, social media and online chat is expected to grow by 53 percent in 2013. Consumers who interact with companies online do so for the following reasons: to pursue a customer service issue; to provide public praise for the company's good customer service; to share their customer service experience with the company's other customers; to complain about poor customer service; and to request assistance from other customers.
- Consumers consider customer service mobile apps to be more convenient, more available, less time-consuming, more personal and easier to access than websites, social media or call centers.
- After having a good customer service experience with a company's mobile app, 81 percent of customers will use social media and word-of-mouth to tell others about their positive experience.
- Even with this rapid growth of social media, online chat and other online customer service technologies, 79 percent of consumers prefer to contact a customer service center the old-fashioned way - over the phone.