



2014 GARDEN CENTER MARKET OUTLOOK

**A look ahead to 2014 for retailers and those
serving the garden retail market**

A MEISTER MEDIA WORLDWIDE Brand



COMMUNICATION & INFORMATION CENTER FOR SPECIALIZED AGRICULTURE WORLDWIDE

The economy is slowly returning, but with a twist

The industry has turned a corner, and cautious optimism is still the general mood. We are out of the recession but we won't be going back to the way it was before. Garden centers are coming back to a new paradigm. Questions remain about who the customer is and what types of stores will be successful.



The recession has shaken out weaker stores

The market is polarizing – we are starting to see the fallout of weaker stores. People who needed 12-week springs to survive are not here anymore.



Customers are changing

The industry is still grappling with the accelerating shift from Baby Boomers to new generations – and will be for some time.

Services are an important part of the garden center mix

As the housing market returns, the landscape segment is also on the uptick. We're watching to see how that will impact some of the smaller services that garden centers have added during the recession, such as container planting. Will those additional services stay or fade away? There remains an exploitable gap between the larger projects landscapers do and the smaller projects garden centers can do.

Labor issues are re-emerging for new reasons

There is increasing churn in the labor market as the economy improves. On the down side, as the general job market gets better, top people in garden centers are leaving to find new jobs after holding on during the recession. On the plus side, fewer positions are remaining unfilled. Hiring and training good employees remains a business challenge for garden retailers.

Local is hot

Buying American is big and local is bigger. Made in USA is important to industry suppliers, but consumers consider "local" to be within 150-500 mile radius, depending on where they are. (Note: the USDA definition of locally produced is 400 miles from the point of origin.)

Big box issues

Differentiation remains a challenge for independents as the boxes get better at services and quality plants. Research for *Today's Garden Center's* "10% Project" reveals that people – particularly younger generations – are intimidated by

shopping at independent garden centers for fear of exposing their ignorance of gardening, so they opt for an “anonymous” experience at a box store.

Wide distribution of product mix among garden retailers

According to *Today's Garden Center's* State Of The Industry survey, when retailers were asked what percentage of their sales come from plants, their answers varied widely. Some garden centers sell purely plants; others sell primarily pottery, clothing, and gifts.

Organics and conservation go mainstream

These are no longer just trends – they've become a mainstream category for garden centers. Market share is getting bigger for organics – the younger generation overall is more aware of organics.

Business basics

This is a timeless trend – there is always a need for business expertise. Many owners do not have formal training in business management, so there are many consultants who help train staff and owners in this market.

ABOUT TODAY'S GARDEN CENTER

Today's Garden Center, celebrating its 10th anniversary in 2013, represents the independent garden center industry with a focus on the knowledge and tools to sustain and enhance the industry's vitality and profitable growth. Our readers are retailers of floriculture crops, including bedding plants, potted plants, fresh cut flowers, potted foliage plants, vegetables, container perennials, plugs, woody ornamentals and other floriculture crops.

Today'sGardenCenter.com is the digital location to find what's new in the garden retail industry. The site features top content from our print magazine and newsletters, featured video and content and viewpoints of our columnists and experts.

Today's Garden Center's corporate headquarters are located in Willoughby, OH, in the Cleveland metro area where its parent company, Meister Media Worldwide, was founded in 1932.

ABOUT MEISTER MEDIA WORLDWIDE

Meister Media Worldwide, headquartered in Willoughby, Ohio, provides integrated media solutions for worldwide specialized agriculture. A leader in the industry, the company provides information and networking opportunities to global markets, including fruits and citrus, vegetables, cotton, ornamental horticulture, precision agriculture, plant protection and Latin American agriculture. Founded in 1932, Meister Media Worldwide now produces 13 regular magazines, along with eNewsletters and more than 20 websites, as well as trade shows and exchange events. In addition, Meister produces custom print products, web development, videos and strategic business development services. Contact us at www.MeisterMedia.com.

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