“Competition in garden retailing is intensifying as merger and acquisition activity is reshaping the specialist and DIY sectors, creating large multiple chains in an industry which as recently as 10 years ago was dominated by independent companies and small chains.”

– Jane Westgarth, Senior Market Analyst

This report looks at the following areas:

- How can garden retailers embrace the trend to treat the garden as a room?
- How can garden centres encourage people to visit more frequently?
- As smartphone ownership grows, how can garden retailers deliver suitable digital content to engage shoppers?

The nature of specialist retailing is also changing with major garden specialists developing a broader offer in restaurants, clothing and housewares to attract customers year round. As well as generating extra revenues, these developments reduce specialists' dependence on seasonal garden ranges. Meanwhile non-specialists are adding to their garden ranges, ambitious for a share of consumer spending.

Garden retailing has been through a period of wide-ranging change and competition is intensifying. Wyevale, which has been growing through acquisition, tabled a bid for Tesco-owned Dobbies in April 2016, which at the time of writing is not finalised. The combined group would have 189 outlets, far larger than the next largest specialist, Klondyke which has 24 outlets. Garden specialists are continuing to evolve into destination stores for all seasons, developing restaurants and adding a broader range of merchandise including clothing, homewares and pet shops. This reduces their dependence on seasonal sales and the volatility of sales created by cold or wet weather over the key gardening seasons. The specialists are beginning to play catch-up with the rest of retailing and are developing online selling, adding new services such as click-and-collect and expanding their online choices. Online shopping is an important factor in the suite of services which consumers will expect.

Meanwhile in the DIY sector B&Q, the leading garden retailer in the UK, faces new direct challenges from Bunnings, which has bought Homebase and will change the group's positioning and identity with greater focus on everyday great value. Elsewhere a broad range of other retailers are stepping up their efforts to serve the growing market for outdoor living. While Argos (recently purchased by Sainsbury’s) has been a market leader in durable garden goods, it faces stiff competition from the home sector, notably IKEA, Next, Dunelm, Wilko (Wilkinson) and the Range. The grocery multiples continue to serve a convenience role, carrying garden and outdoor living ranges in season, plus Waitrose is developing its Waitrose Garden offer, both online and at its stores.

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.
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How can garden retailers embrace the trend to treat the garden as a room?

The facts
The implications

How can garden centres encourage people to visit more frequently?

The facts
The implications

As smartphone ownership grows, how can garden retailers deliver suitable digital content to engage shoppers?

The facts
The implications

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1.9 million more over-55s by 2020

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Value grocers carry seasonal ranges
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John Lewis focuses on outdoor living
Next Home & Garden now 10 stores
IKEA captures the essence of outdoor living for tiny gardens
Dunelm focuses on garden and conservatory furniture
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Tiger – Budget stylish fun
Poundland launches new garden range
The Range carries a wide range of garden products
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The Consumer – What You Need to Know

88% of UK households have a garden, outside space or allotment
83% of those with an outside space are gardeners
14% of gardeners are ‘extremely confident’
B&Q used by 45% of people with gardens, allotments or an outside space
Knowledgeable staff and displays that give ideas are the most influential factors
People have very positive feelings about gardens and gardening

Three key target groups for the garden

Presence of Gardens and Allotments

Village and suburban homes most likely to have a garden
12% of UK homes do not have an outside space
Private renters least likely to have an outside space

Maintenance of Gardens and Allotments

83% of those with an outside space are gardeners
Engagement with garden services
Gardening is a sociable pastime

47% of gardeners participate at least once a week in summer

Over-55s garden most regularly

Confidence when Gardening

14% of gardeners feel extremely confident

Confident and fairly confident gardeners participate most regularly

Where They Buy Things for the Garden

76% of those with gardens purchased in the last year
B&Q is the most used retailer for garden products
Homebase has weakest coverage in the north of England
Value retailers falling short in London
Village/rural shoppers go to garden centres
Wealthiest shoppers use B&Q and the big garden centres
Internet used by 10% of those with gardens or an outside space

Confidence affects choice of retailers

Rare gardeners go to B&Q

Characteristics that Influence Choice of Retailer

- Staff knowledge is the most influential factor in where to shop
- Inspirational displays influence 40%
- Attracting families
- Cafés are important to 23%
- 25-44s value an informative website
- Other departments increase reasons to visit

Attitudes towards the Garden

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Where the target groups shopped

Appendix – Data Sources, Abbreviations and Supporting Information

- Abbreviations
- Consumer research methodology

Appendix – Market Size and Forecast

- Data sources
- Market sizing and segment performance
- Forecast methodology

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