



Market Report

A Snapshot of your Market Sector

Gardening

This pack has been designed to provide information on setting up a business in the **Gardening** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **February 2019**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Gardening market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Consumer spending on gardening goods **grew by 4% in 2017 to reach £5.9 billion and is forecast to rise by 15% to reach £6.9 billion between 2017-22**. In 2018 retailers got off to a slow start, affected by poor weather and an early, wet Easter, but good weather in May has helped the market bounce back. We expect spending to grow by 3.5% in 2018, helped by continuing growth in spending on garden leisure items. (Mintel, *Garden Products Retailing, UK*, June 2018).
- ◆ The Landscaping Services industry is **expected to have grown notably over the past five years**. With the exception of 2014-15, revenue is expected to have grown consistently since the start of the period in 2013-14. Business confidence has grown in line with the economic recovery, while consumer confidence increased sharply in 2013-14 and 2014-15 thanks to falling unemployment and rapidly rising house prices, although it has contracted again towards the end of the period. The overall increases in both confidence indices have supported demand for industry services through the five-year period. Residential and commercial construction activity also grew and increased demand for landscaping services. (IBISWorld, *Landscaping Services in the UK*, October 2018).
- ◆ There are around **20 million gardens in the UK**, but the average size of gardens is shrinking because of intense land use for new-build houses, conversions of larger properties and building on existing gardens, including extensions and conservatories. Increasingly, **people like to use their gardens as an outside room and this drives demand for garden furniture, ornamentation and planting that yields rapid results**. (Mintel, *Consumer Trends, Attitudes and Spending Habits for the Home, UK*, January 2019).
- ◆ The national organisation for this industry is [The Horticultural Trades Association](#). Other industry bodies include [Royal Horticultural Society](#), [The Gardeners Guild](#), [National Allotment Society](#), [British Association of Landscape Industries](#) and [Garden Arena - Gardens Directories](#).

Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel – Garden Products Retailing (June 2018).** 52% of those with gardens shopped for their garden in the last year. More than 10 million households bought garden products in 2017. There is an older age bias to shoppers for plants and goods that are used for gardening such as garden chemicals. But the younger homeowners, particularly those who have been in their homes around 2-5 years, are the most active group in shopping for power tools, such as mowers or hedge trimmers, for their gardens.
- ◆ **Mintel – UK Retail Rankings (April 2018).** Over the past year the market leader, Wyevale Garden Centres, has started to undergo a significant turnaround strategy after reporting a £74.1 million loss in 2016. This new strategy is focusing on customer experience and will see major investment in its IT systems and staff, alongside improvements in its supply chain. In August 2017 the retailer also gained a new CEO and CFO alongside securing new funding from Hayfin and Barclays as part of its debt restructuring programme.
- ◆ **IBISWorld – Landscaping Services in the UK (October 2018).** The Landscaping Services industry is in the mature phase of its life cycle. Industry value added (IVA), which measures industry contribution to the wider economy, is forecast to grow at a compound annual rate of 1.2% over the 10 years through 2023-24. When comparing this with GDP's projected growth of 1.7% over the same period it would indicate the industry will account for an increasing share of the economy.
- ◆ **Marketline – Home and Garden Products in the United Kingdom (November 2018).** Home Improvement and Gardening Specialists form the leading distribution channel in the United Kingdom home & garden products market, accounting for a 33.1% share of the total market's value. Hypermarkets, Supermarkets and Hard Discounters accounts for a further 7.7% of the market.

There are also a number of online resources you may find helpful:

- ◆ **Growth Business** (www.growthbusiness.co.uk) published an article: *Gardening: The fastest growing UK businesses* (14th May 2018) (tinyurl.com/y3tr59yn) which discusses main players on the gardening market.
- ◆ **Horticulture Week** (hortweek.com) website with the latest news, jobs and technical advice for nurseries, edibles production, garden retailing, landscaping and parks.
- ◆ **Glee** (www.gleebirmingham.com) published an article: *Demographics boost the UK garden Retail Market* (4th May 2018) (tinyurl.com/y5o4bmuy) which claims that *like any industry, the UK garden market is profoundly affected by demographics. A challenge for the industry is to attract younger consumers into the market. Compared with previous generations, the current crop of 20 and 30 somethings are far less likely to own their own homes.*

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as Yell, Thomson Local or Google Maps
- ◆ Trade specialists like EuroPages (European directory), The Wholesaler or Free Index
- ◆ Business to business (B2B) specialists such as Kompass

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the Companies House website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**

What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Retaining and Grow Your Customer Base](https://tinyurl.com/c2fw4o4) (tinyurl.com/c2fw4o4) will help you to identify who your customers are, how to use this information to sell more effectively and how to actively compete in your marketplace.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the National Records of Scotland (NRS). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the Census Area Profiles. Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ Understanding Scottish Places has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ Scottish Government Statistics provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ The Scottish Household Survey provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ Office for National Statistics (ONS) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Account](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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