



Market Update: July 2024

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# Overview

- June saw a continuation of challenging trading conditions for garden centres, with any benefit from increasing consumer confidence in the wider economy more than off-set by adverse weather conditions
- Sunshine hours in June – always critical to sales performance – were at just 72% of the levels for June 2023; days which saw rainfall were also increased on 2023 making for challenging trading in garden categories
- Sales in core gardening ranges and plants continued to feel the brunt of poor weather through 2024. After the first six months of the year sales (values, unadjusted for inflation) of bedding plants are down -2% compared with the first six months of 2023, with hardy plants and trees down -7%.
- By contrast, ‘indoor’ ranges and categories such as catering and farm foods/food hall continued to perform strongly. Catering in June was 16% up on 2023, with a similar year-to-date performance for catering (+17%) reported by garden centres
- This strong performance, whilst by no means making up for the effects of the weather, offers some comfort, demonstrating continued consumer appetite to travel to garden centres and spend, albeit with the weather driving more of this spend and footfall towards the café than the plantarea.
- Combined with the continued upward trend in consumer confidence, comparatively strong performances in catering, food, and house plants provide some re-assurance as to the long-term strength of the garden centre channel, and consumer appetite to spend time and money.

**Read on for the detail...**

# Key Points: June

**Overall  
June  
Garden Centre  
sales** were  
**down -3%**  
vs  
June 2023

**Catering sales**  
were  
**up +16%**  
on  
June 2023

**Consumer  
confidence**  
improved by  
**3pts** and is  
**+10pts**  
above  
June 2023

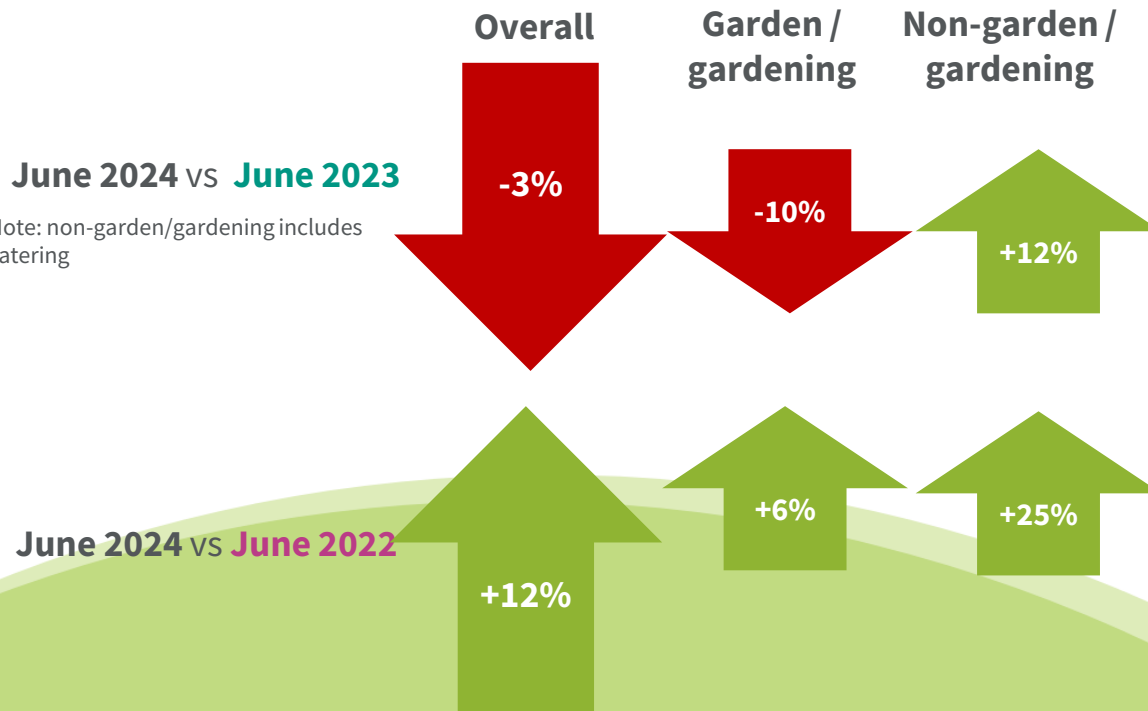
**June 2024**  
had  
**72% of the  
sunshine hours**  
of June 2023

**Bedding Plants  
and hardy  
Plants** sales are  
**down -2% &  
-7% calendar  
year to the end  
of June** vs 2023

# Garden centre sales: June



Overall, garden centre sales were -3% down in June, compared to June 2023, as the gardening season continued to be impacted by poor weather (garden/gardening categories down -10%). Sales of outdoor living products like furniture and BBQs particularly suffered (see page 9), further pulling down sales and average transaction values as bigger ticket items. Meanwhile, non-gardening categories, in particular catering and food and farm shop departments (see page 10) provided a much-needed boost for cash flow (+12%). Overall sales were up 12% compared to June 2022 (up 7% by volume), likely reflecting quieter trade around the long Platinum Jubilee bank holiday weekend.



Note: non-garden/gardening includes catering

## How are these figures calculated?

The national sales figures we report each month come from our HTA Garden Retail Monitor (GRM) systems. We have an EPOS-based system where sales data from submitting garden centres is automatically uploaded to a secure server; and a manual-entry version to which we cross-reference the figures. Participating garden centres can then login to a portal to benchmark their sales against regional and national averages for a variety of sales metrics. We're looking to sign up more garden centres to the EPOS system, allowing us to include more reliable detailed breakdowns of trends in sales in these Market Update reports.

If you're interested or for more information visit:  
[hta.org.uk/grm](https://hta.org.uk/grm)

(Figures reported are exclusive of VAT)



# Garden centre sales volumes: June HTA

Due to the high levels of price inflation in the current economic climate, we report on the quantity of goods sold in addition to sales values, to assess the level to which year-on-year comparisons are reflective of end-goods price increases or change in demand. Overall garden centre sales were down -3% by value, but up +2% by volume, suggesting that baskets in June 2024 were of lower value as supported by our ATV analysis (see page 7). Non-gardening category sales were up +10% by volume, whilst garden/gardening sales volumes were down -4%; suggesting that catering, food hall and indoor living categories were making up greater proportions of sales volumes and these items are of relatively lower value compared to garden categories like furniture, BBQs, established plants and trees, which all suffered due to poor weather. Due to the difficult gardening season, retailers may have also been discounting to move excess stock through, affecting sales values but not volumes.

June 2024 vs June 2023	Overall	Garden/gardening	Non-garden/gardening
Value of sales (£, exc. VAT)	-3%	-10%	+12%
Volume of sales	+2%	-4%	+10%

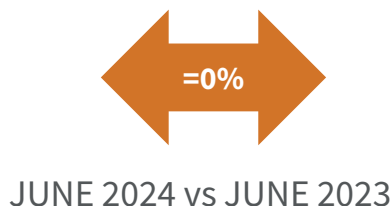
June 2024 vs June 2022	Overall	Garden/gardening	Non-garden/gardening
Value of sales (£, exc. VAT)	+12%	+6%	+25%
Volume of sales	+15%	+9%	+21%

# June Transaction Numbers and Average Transaction Values (ATVs): In the Garden Store



Despite sales suffering at the hands of the weather, transaction numbers in the garden store (i.e. all categories excluding catering across both physical and web stores) remained stable compared to June 2023. Transactions were up +10% compared to June 2022, but again this likely reflects the effect of the Platinum Jubilee bank holiday weekend in 2022. The ATV in the garden store (e.g. the garden centre excluding catering transactions) for June was -5% down on June 2023 to £31.36 (exc. VAT), as bigger ticket items like furniture and BBQs featured in fewer baskets, and many retailers may have offered promotions and discounts to shift stock that otherwise wouldn't have sold.

## Transaction Numbers: Garden Store



## Average Transaction Values (ATVs): Garden Store

**exc. VAT**  
**£ 31.36**  
**inc. VAT**  
**£ 36.82**  
JUNE 2024

VS JUNE 2023 (exc. VAT)	VS JUNE 2022 (exc. VAT)
-5% (£32.97)	=0% (£31.44)

# June Transaction Numbers and Average Transaction Values (ATVs): In the café/restaurant

Transaction numbers (+3%) and footfall to garden centre cafes and restaurants also remained strong. The catering ATV was up +7% to £11.86 (exc. VAT) in June 2024, as food and drink prices were affected by inflation likely owing to increased overhead operational costs and increases in food costs. Catering sales were up 16% by value and 10% by volume, and price inflation is a factor in this; hot food and sandwich inflation were up 5% and 9% respectively. However, garden centre cafes and restaurants continue to see increased transaction numbers, and in June across all catering items we track inflation was not a major driver of sales growth.

## Transaction Numbers: Café/restaurant



JUNE 2024 vs JUNE 2023

## Average Transaction Values (ATVs): Café/restaurant



VS JUNE 2023 (exc. VAT)	VS JUNE 2022 (exc. VAT)
+7% (£11.05)	+8% (£10.98)



JUNE 2024 vs JUNE 2022



# Garden centre sales: June garden/gardening breakdowns



In June 2024, garden/gardening departments overall were down -10% on June 2023, with all sub-categories behind the prior year apart from indoor plants (+12%), garden features and structures (+6%), and packet seeds (+2%).

Outdoor plant sales suffered due to the weather (bedding -11%, hardy plants -7%), as did garden furniture (-38%) and BBQs and heating (-5%) playing into lower average transaction values.

Year to date comparisons paint a similar picture; notably in the first 6 months of 2023, bedding plants accounted for 20% of overall sales, whilst they accounted for 16% in the first half of 2024.

Category	June 2024 vs 2023	YTD June 2024 vs 2023	June 2024 vs 2022
Bedding plants	<b>-11%</b>	<b>-2%</b>	<b>+17%</b>
Hardy plants, shrubs & trees	<b>-7%</b>	<b>-7%</b>	<b>+18%</b>
Indoor plants	<b>+12%</b>	<b>+2%</b>	<b>+6%</b>
Seeds (excl. grass seed)	<b>+2%</b>	<b>+3%</b>	<b>+16%</b>
Plant care products	<b>-1%</b>	<b>+2%</b>	<b>+17%</b>
Garden tools & equipment	<b>-13%</b>	<b>-4%</b>	<b>+15%</b>
Garden features & structures	<b>+6%</b>	<b>+8%</b>	<b>+8%</b>
Outdoor containers	<b>-1%</b>	<b>+1%</b>	<b>-1%</b>
Garden Furniture	<b>-38%</b>	<b>-15%</b>	<b>-31%</b>
BBQ and Heating	<b>-5%</b>	<b>-8%</b>	<b>+4%</b>

# Garden centre sales: June non-garden/gardening breakdowns

In June 2024, non-garden/gardening department sales overall were up +12% compared to June 2023, with all sub-categories experiencing sales growth year on year.

Food and farm shop (+22%) and catering (+16%) sales were notably strong, meanwhile wild bird care sales were too (+23%) in both single month and year to date comparisons.

The analogy of a silver lining to June's clouds is perhaps appropriate here. Strong catering sales (underpinned by an increase in catering transaction numbers as well as inflationary growth) and strong sales of less weather-dependent ranges support the view that 2024's subdued performance is largely driven by weather, as opposed to consumers being less willing to visit garden centres or less enchanted with the garden centre offering. Combined with increasing consumer confidence this should provide a measure of confidence as garden centres increasingly switch focus in the coming months to autumn gardening ranges and Christmas.

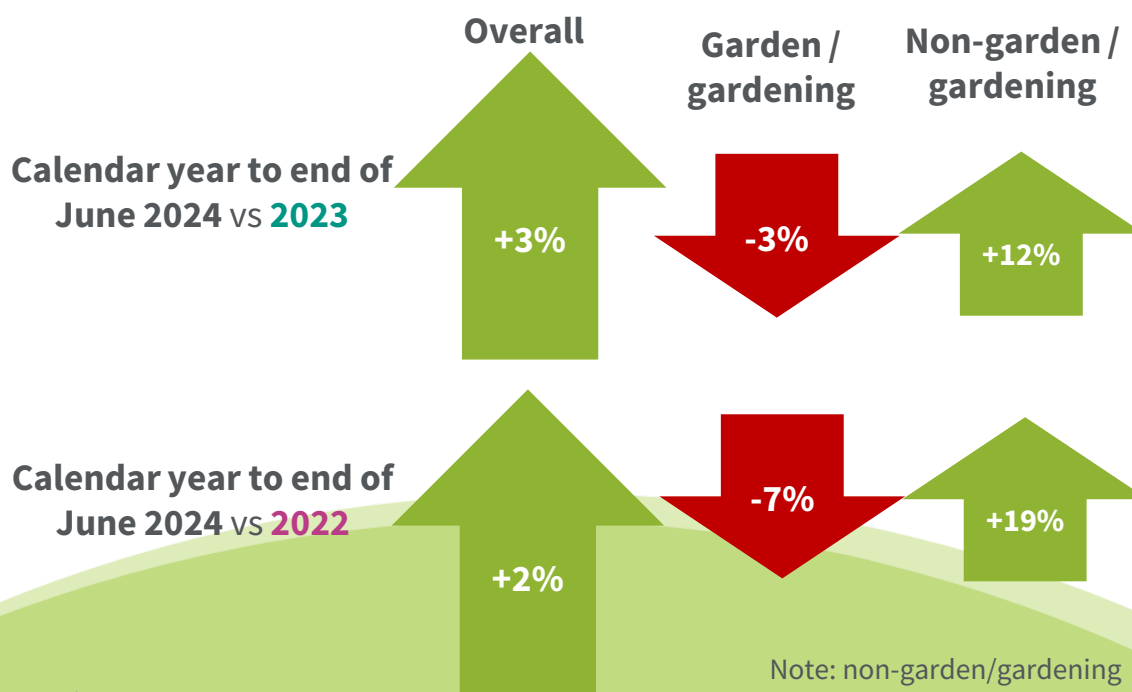
Category	June 2024 vs 2023	YTD June 2024 vs 2023	June 2024 vs 2022
Indoor living & homewares	+4%	+4%	+2%
Gifting	+5%	+5%	+9%
Wild bird care	+23%	+14%	+15%
Pets	+15%	+6%	+19%
Food & farm shop	+22%	+16%	+36%
Catering	+16%	+17%	+44%

YTD – Calendar year to end of June

# Garden centre sales: calendar year to end of June



Overall garden centre sales were up +3% by value for the calendar year to the end of June compared to 2023, and up +2% on the same period in 2022. These figures reflect a poorer garden/gardening season (-3% vs 2023), buoyed by thriving catering and food and farm shop departments (non-garden/gardening +12%), highlighting the importance of a diverse offering for garden centres when the weather is bad. Notably, catering sales made up 17% of overall sales in the calendar year to end of June 2023, compared to 13% in 2022. Year to date, overall sales were up +5% by volume, highlighting the change in basket makeup with weakened sales of higher ticket items like BBQs and furniture.



(Figures reported are exclusive of VAT)

Note: non-garden/gardening includes catering which faced restrictions across the UK


## How are these figures calculated?

The national sales figures we report each month come from the HTA Garden Retail Monitor (GRM) system. We've now moved over to a newer GRM system where sales data from submitting garden centres is automatically uploaded to a secure server via the EPOS system. These garden centres can then login to the portal to benchmark their sales against regional and national averages for a variety of sales metrics. We're looking to sign up more garden centres to the system, allowing us to include more reliable detailed breakdowns of trends in sales in these Market Update reports.


If you're interested or for more information visit: [hta.org.uk/grm](https://hta.org.uk/grm)


# Weather

In contrast to May, June was cooler than average, with temperatures in the first half of the month roughly 2°C below average (and nearly 3°C cooler than the exceptionally warm June 2023). However, the warm spell that ended the month saw temperatures balance out at more modest 0.4°C below average, with temperatures reaching 30°C for a short period. Although cool overall, June wasn't as wet as previous years (apart from in Scotland), with the UK as a whole recording rainfall 71% of the long-term average. But whilst sunshine hours were above average (104% of long-term average), June 2024 was considerably duller than June 2023.

	June 2024	June 2023
 Hours of sunshine	<b>178.8</b>	<b>247.5</b>

	June 2024	June 2023
 Rainfall (mm)	<b>55.1</b>	<b>52.2</b>

	June 2024	June 2023
 No. of rain days	<b>10.0</b>	<b>8.3</b>

	June 2024	June 2023
 Mean temperature (Celsius)	<b>12.9</b>	<b>15.8</b>

The figures reported are national averages for the UK. To view the figures on a regional basis: [click or tap here](#) to visit the MET Office website and view the year ordered stats by month.

# Weather by region



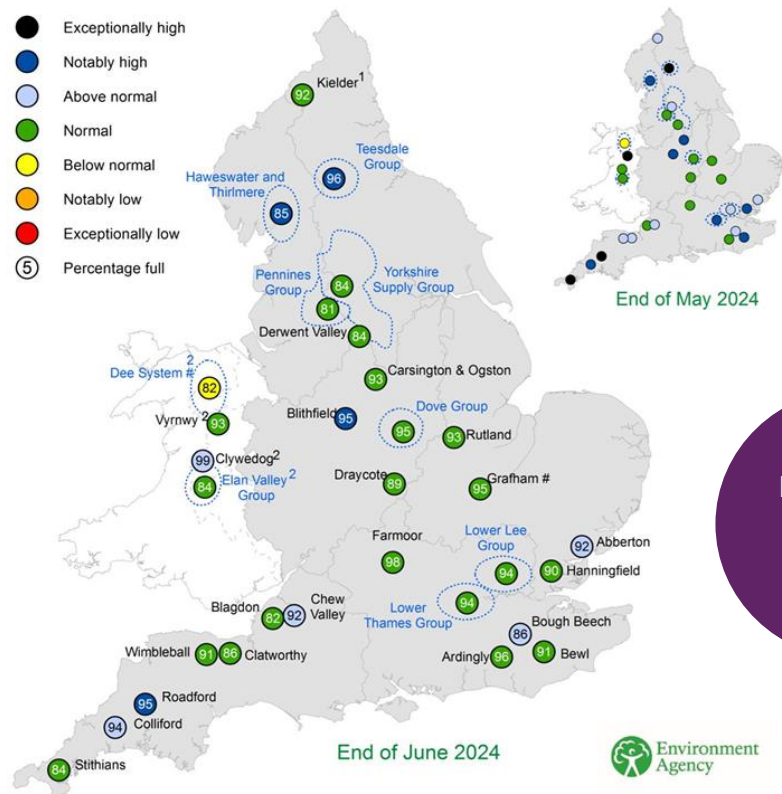
Region	Mean Temp (Degrees Celsius)	Sunshine Hours	Rainfall (mm)
Overall	12.9	178.8	55.1
South England	14.4	225.6	24.8
North England	13.3	181.2	51.5
Wales	12.7	174.5	48.1
Scotland	11.2	138.9	91.2
Northern Ireland	12.4	112.3	60.4

All four nations recorded temperatures below the long-term average for June, whilst Northern Ireland was much duller (75% of average sunshine) than the UK overall (104% of average sunshine). England and Wales recorded just over half of average rainfall for the time of year, however Scotland was only slightly below average (98%) and Northern Ireland had 74% of typical rainfall. This may have impacted footfall and appetite for gardening.

# Current reservoir levels

Reservoir levels in England continued to be at very high levels of capacity through June, again reflecting the adverse weather conditions that have affected the garden trade.

Although clearly the rainfall over spring has done few favours to the garden industry, the reservoir position is a marked improvement on the situation of a year ago where temporary use bans (aka hosepipe bans) were increasingly starting to affect demand and prospects for the industry, particularly for domestic landscaping projects.



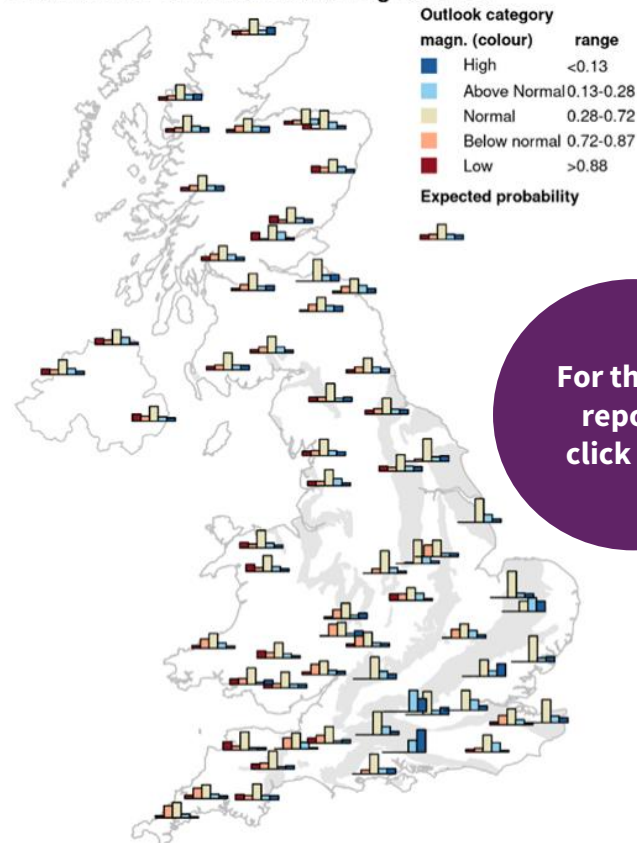
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reports  
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# Forecast river flows

River flows over the next three months (to end September) are forecast to be at normal to above normal levels across the UK, with some catchments in South East and south central England likely to have higher than normal flows.

To interpret the infographic, the higher the bars shaded red or orange, the greater the likelihood is in that area of river flows being at low or below normal levels. The higher the yellow/fawn bar, the greater the chance of river flows in the normal range.

## 3-month river flow outlook starting Jul 2024

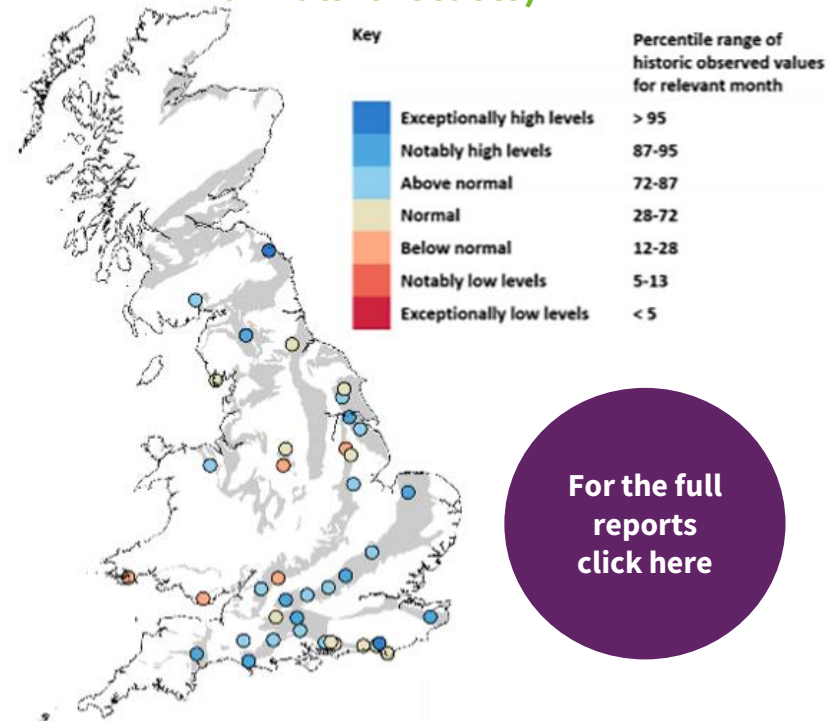


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# Forecast groundwater levels

## Three-month groundwater outlook starting July 2024 (based on median rainfall forecasts)

Under median rainfall conditions, groundwater levels are predicted to range from above normal to exceptionally high in the next 3 months. This is except for parts of central, Northern England and South Wales where normal or below normal levels are anticipated.

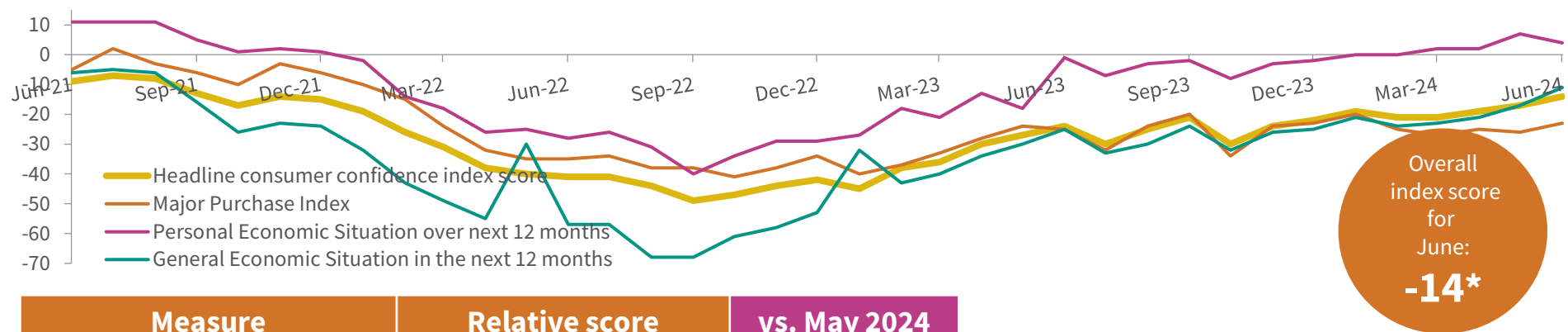


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reports  
click here



# Consumer confidence

June saw consumer confidence improve a further 3 points from May to -14, the highest score since November 2021 and notably 13 points higher than June 2023. This overall index score was pushed up by consumers' ratings of the country's general economic situation likely owing to the falling inflation rate, and the Major Purchase Index was boosted by +3 points too. June marked the third consecutive month of increased confidence which has recovered significantly since the record low of -49 in September 2022; yet the headline score remained negative as the cost-of-living crisis continues to pressurise household finances.



Measure	Relative score (June 2024)	vs. May 2024
<u>Personal financial situation:</u> during last 12 months <b>over next 12 months</b>	-10 <b>+4</b>	Equal <b>3 points lower</b>
<u>General economic situation:</u> during last 12 months <b>over next 12 months</b>	-32 <b>-11</b>	7 points higher <b>6 points higher</b>
Major Purchase Index	-23	3 points higher
Savings Index	22	5 points lower

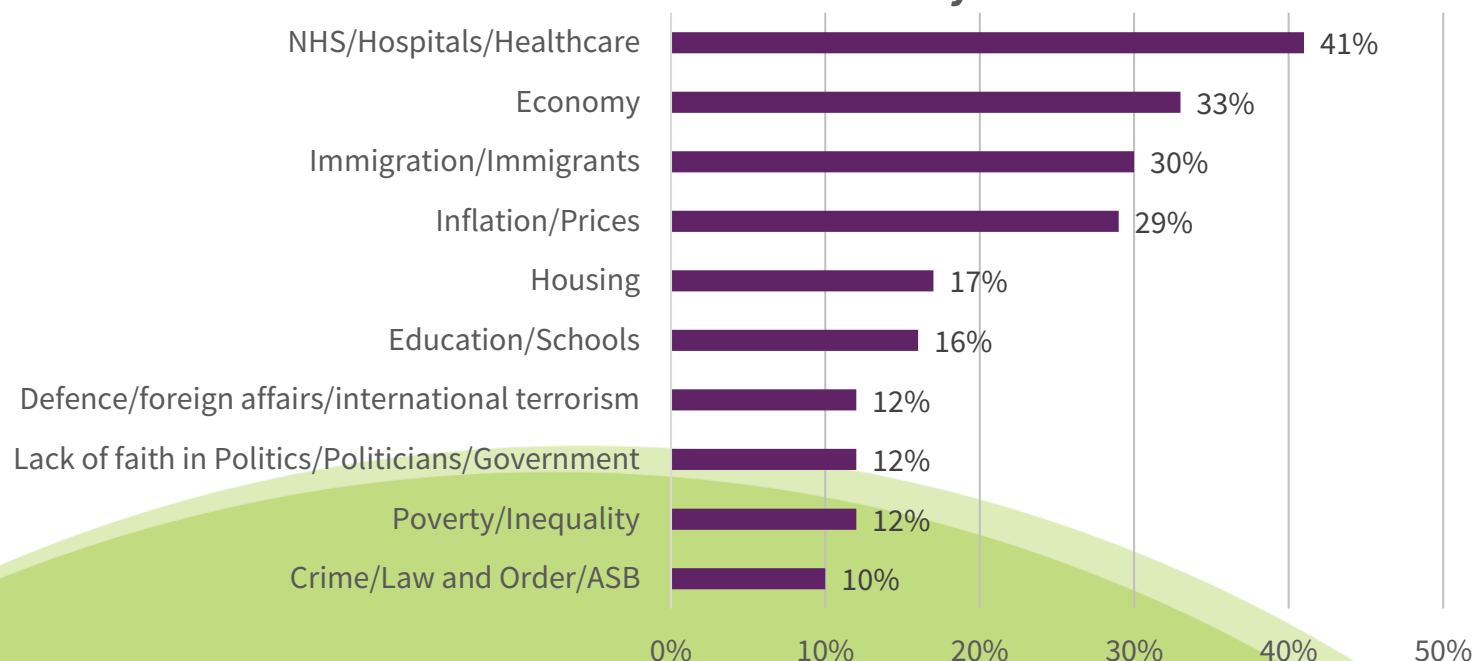
**\*this is 3 points higher than May 2024**

Consumers are asked how the financial position of their household has changed over the last year and is expected to change in the next year, as well as that of the general economy. They're also asked if they believe 'now' is a good time to make major purchases or to be saving money. The first three measures in the table make up the overall index score. Whilst the Savings Index indicates whether consumers are looking to save rather than spend their money. **Relative scores are given as a comparative to when records began in 1974.**

# Consumer Issues Tracker: June

The start of the election campaigns increased public focus on issues that the political parties perceive matter the most to voters in June's Consumer Issues Index from Ipsos Mori. The NHS remained the biggest issue perceived to be facing the country, with 41% of British adults concerned. The economy and inflation both continued to sit in the top four issues, meanwhile concern for defence/foreign affairs and immigration increased from May to June, with concern for immigration at its highest level since January 2017.

## What do you see as the most/other important issues facing Britain today?

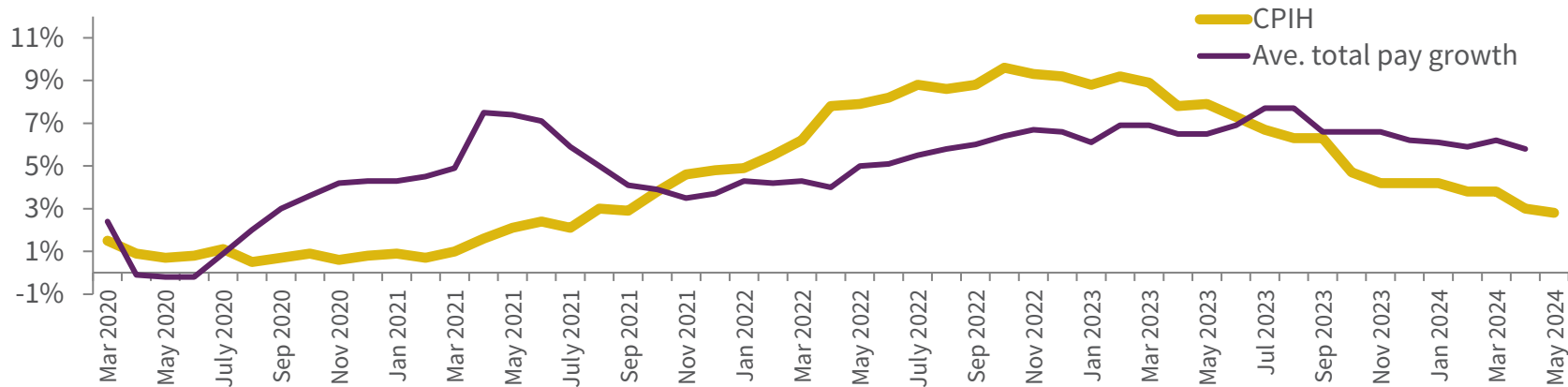


Change since Apr:	
%	Position
+6	=
+5	↑+1
+3	↑+1
=	↓-2
+2	=
+4	=
+3	↑+4
=	↓-1
+2	↑+2
-2	↓-4

# Inflation and Wages



We explore some key indicators of the position of the UK economy, such as the Consumer Prices Index including owner occupier's housing costs (CPIH), measured as a percentage change over a 12-month period. In addition, we also discuss the average pay growth (excl. bonuses) and the unemployment rate. We report on the latest CPIH rates available at the time of publication. The CPIH rate in May 2024 fell to 2.8% - the lowest level since July 2021; demonstrating that although prices are higher than a year ago, the rate of inflation has slowed which is good news for costs of goods for consumers and their finances. Average pay growth (excl. bonuses) was 5.8% in April 2024 (the latest available data), and sits well above the rate of inflation, which will have a positive effect on disposable incomes and consumer confidence. The effect of April rises to the National Living Wage are yet to be seen in the figures, but this is likely to bring further challenges for businesses managing overheads and pay differentiation, particularly in the context of poor trading conditions experienced in 2024. The unemployment rate increased to 4.4% in the three months to April 2024, a figure that has generally remained stable over time and signifies a small available labour pool, which in itself can have an inflationary effect on wages as employers struggle to fill vacancies.



\*Surge in income growth seen in spring 2021 is reflective of the year-on-year change to spring 2020 where many workers were on furlough and reduced pay

CPIH  
inflation  
(May)  
**2.8%**

Average  
pay growth  
(Apr):  
**5.8%**

Unemployment  
Rate (Feb-Apr 2024)  
**4.4%**

# Retail inflation on garden products

Our June trolley  
(June 2024 vs June 2023 price inflation)



Hardy plants,  
shrubs & trees  
**+1%**



Garden Gloves  
**-1%**



Bedding plants  
**= (0%)**



Plant Care  
Products  
**= (0%)**



Garden tools  
and equipment  
**= (0%)**



Plastic pots  
**= (0%)**



Growing Media  
**= (0%)**



Hot Drinks  
**+2%**



Weed  
killers  
**+1%**



Lawn care  
**= (0%)**

Here we look at the price of individual barcodes transacted in garden centres in June 2024 and June 2023, to calculate a median average rate of inflation within each of the categories featured. Each month we select a 'trolley' of goods that are seasonally appropriate and track the level of price inflation. In the 12 months to June 2024, within our trolley, weed killers (+1%) and hardy plants, (+1%) experienced price inflation, likely due to rising input and overhead costs. Similarly, in the cafés/restaurants, hot drinks saw price inflation (+2%).

Garden gloves saw slight drop in prices (-1%). The drop may be attributed to retailers needing to discount products to shift stock as the bad weather reduced footfall and demand. Bedding plants, garden tools and equipment, plastic pots, lawn care and plant care products as well as growing media, all maintained prices on a par with June 2023.

# Retail inflation on plants

(June 2024 vs June 2023 price inflation)



Shrubs

**+1%**



Foliage  
houseplants

**-1%**



Herbaceous

**+2%**



Pack bedding **-3%**



Roses

**+4%**



Climbers **+1%**



Flowering  
houseplants

**-1%**



Fruit trees &  
bushes

**+6%**

Here we look at retail price inflation across some of the plant categories specifically.

Fruit trees (+6%) and roses (+4%) showed the biggest rise in prices year on year in the garden centre channel followed by herbaceous (+2%), shrubs (+1%) and climbers (+1%), likely due to higher overhead costs (i.e. energy, labour, inputs).

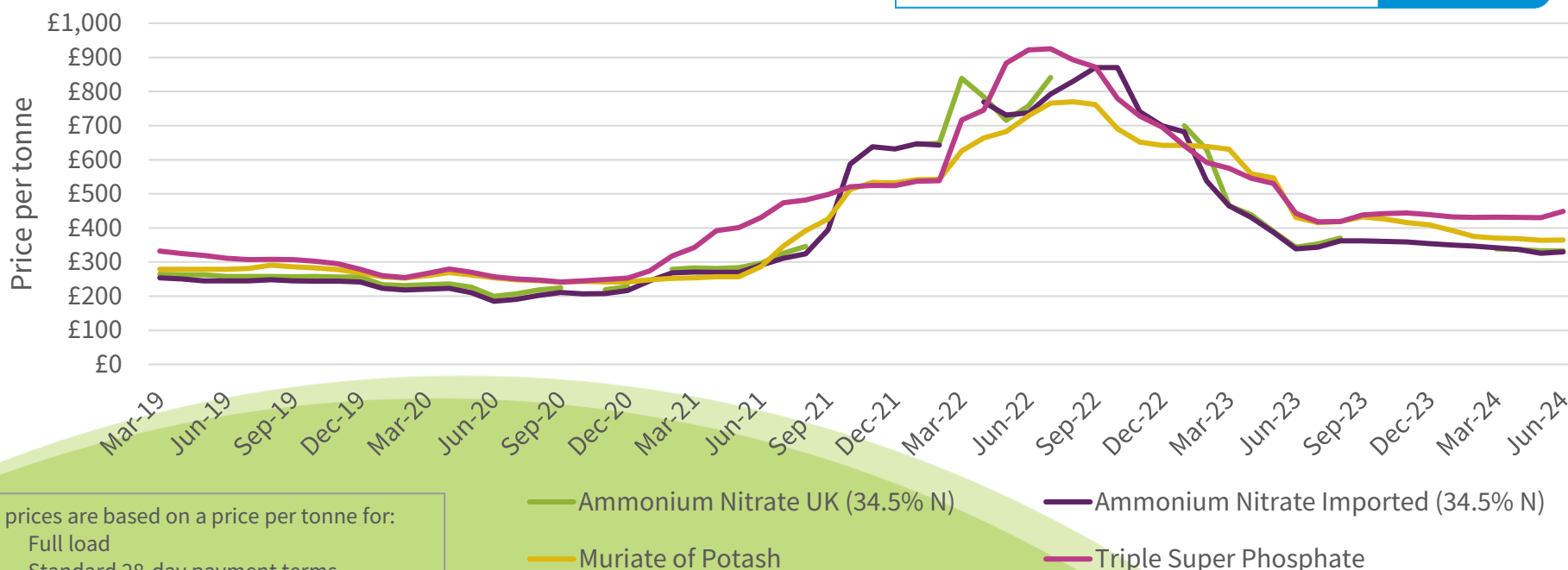
Pack bedding (-3%) led the price drop this month, most likely as retailers discounted in order to move stock through faced with subdued demand due to weather (pot bedding by contrast was relatively stable). Flowering house plants (-1%) and Foliage houseplants (-1%) saw reduction in prices consistent with May 2024 data which also showed minor price reductions.

# GB Fertiliser Prices

Fertilisers are a major input cost in plant production and rising costs increase the likelihood of squeezed margins through the supply chain. Using data supplied by the AHDB, the below graph shows how straight fertiliser prices have changed since 2019. Whilst those included are not typically used in the production of container-grown ornamental crops, nor an exhaustive list of specialist compound fertilisers used by ornamental growers, the data gives a relative indication of N, P and K fertiliser price trends. Overall fertiliser costs have remained (comparatively) stable over the last year. However, although this stability is welcome, prices remain substantially above levels up to early 2021.

Accurate, timely and  
independent data you can trust

AHDB



All prices are based on a price per tonne for:

- Full load
- Standard 28-day payment terms
- Bags delivered to site price
- Spot price: prices for delivery within a month (28 days)

# Shipping Container Prices

We report on a composite index which is an aggregate of shipping costs across various routes. The Drewry's World Container Index was at \$5,901 for a 40ft container as of 11<sup>th</sup> July 2024, compared with \$4,801 a month previously. Although these rates are still significantly below the peaks seen in the pandemic, they remain an unwelcome cost pressure in the supply chain. Shipping through the Red Sea remains a challenge compared with a year ago, with freight taking the longer (and costlier) route around the Cape of Good Hope. These factors coupled with increasing demand, are causing shipping companies to increase prices, and the longer this trend continues the greater the impact on goods and commodities shipped from the far east.

Drewry World Container Index (WCI) - 11 Jul 24 (US\$/40ft)



**\$5,901**

*We are reporting on the aggregate of the major shipping routes.*

# Closing comments

We hope you enjoyed the format and content of this Market Update.

If you have any questions or would like to see something else included, please don't hesitate to contact [marketinfo@hta.org.uk](mailto:marketinfo@hta.org.uk)

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