HTA

Market Update

December 2024

Contents

Overview

- Despite the volatile weather, garden centres continued to attract customers in store, driven by a strong start to Christmas and the hospitality on offer in the cafes/restaurants.
- Overall sales were up +6% on November 2023 even removing the café/restaurant, with Christmas categories making up around one quarter (26%) of total store sales. Christmas sales were up +21% compared to November 2023; however with five Saturdays in November 2024, it remains to be seen whether this is real growth, or a consumer shift to earlier shopping that will be reflected in December's figures.
- Consumer confidence improved 3 points in November, likely helped along with Black Friday prompting considerations that it was a good time to spend; and the rate of CPIH inflation remained relatively stable bringing some relief to household finances.
- The same can't be said for business finances though, with our supporting state of trade review document. This summarised the results of recent member surveys highlighting the significant costs facing the industry following the Autumn Budget. This included increasing National Insurance contributions and the Minimum Wage come April 2025.
- Encouragingly though, appetite for gardening was strong in November, with plant care products (+14%) and hardy plants, shrubs and trees (+4%) showing growth on what was a considerably wetter November 2023. This is despite November 2024 featuring multiple storms and localised disruption.
- Year to end of November comparisons show 2024 garden centre sales as +1% up on 2023, but -1% excluding catering. Garden/gardening categories have particularly struggled at the hands of the volatile weather this year, ending November -4% down year-to-date. But, Christmas and hospitality offerings continue to offer a welcome boost.

- **Read on for the detail…**

Key Points:

November

Overall November Garden Centre sales were **up +6%** incl. catering vs November 2023

Garden/ gardening category sales were **up +2%** vs November 2023

Consumer confidence grew 3 pts from October to November 2024

Christmas sales were up **+21%** vs November 2023

Transaction numbers in the **garden store** were **up +3%** vs November 2023

Garden centre sales:

November

Overall garden centre sales for November 2024 were +6% up on November 2023, with the inclusion/exclusion of catering sales not impacting this figure. Christmas categories instead had a bigger impact in November, making up 26% of total sales. Garden/gardening sales were up +2% in November 2024 versus 2023, positive for Autumn gardening with the plant care category performing very well. Albeit, garden/gardening sales make up a lesser proportion of total sales during November. Non-garden/gardening categories were up +8% including catering, but +7% without, highlighting strong performance in food and farm shop and gifting (see pages 10 for more).

	Overall *Incl. catering*	**Overall** *excl. catering*	**Garden/ gardening**	**Non-garden/ gardening** *incl. catering*	**Non-garden/ gardening** *excl. catering*
Nov 2024 vs Nov 2023	+6%	+6%	+2%	+8%	+7%
Nov 2024 vs Nov 2022	+12%	+9%	0% (=)	+17%	+12%

(Figures reported are exclusive of VAT)

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**

Source: HTA Garden Retail Monitor

Garden centre sales volumes:

November

Overall garden centre sales were up +6% by value when comparing November 2024 with November 2023, while volumes were up +3%. Once again, this is likely due to the combination of price inflation alongside purchases of higher ticket items as Christmas categories encouraged bigger baskets (see page 7) and consumer confidence improved slightly (see page 17).

Nov 2024 vs Nov 2023	**Overall** *Incl. catering*	**Overall** *Excl. catering*	**Garden/ Gardening**	**Non-garden/ Gardening** *Incl. catering*	**Non-garden/ Gardening** *Excl. catering*
Value of sales (£, exc. VAT)	**+6%**	**+6%**	**+2%**	**+8%**	**+7%**
Volume of sales	**+3%**	**+2%**	**0% (=)**	**+4%**	**+2%**

Nov 2024 vs Nov 2022	**Overall** *Incl. catering*	**Overall** *Excl. catering*	**Garden/ Gardening**	**Non-garden/ Gardening** *Incl. catering*	**Non-garden/ Gardening** *Excl. catering*
Value of sales (£, exc. VAT)	**+12%**	**+9%**	**0% (=)**	**+17%**	**+12%**
Volume of sales	**+8%**	**+4%**	**-8%**	**+11%**	**+7%**

Source: HTA Garden Retail Monitor

November Transaction Numbers and Average Transaction Values (ATVs):

In the garden store

Transaction numbers in the garden store were up +3% when comparing November 2024 with November 2023. Although we had volatile weather in November 2024, it wasn't nearly as wet as November 2023. Average transaction values (ATVs) were up +5% to £25.05 (exc. VAT), likely reflecting a basket composition of higher ticket items driven by Christmas purchases and price inflation on goods (see page 6, and pages 21 & 22 for more).

Transaction Numbers: Garden Store

+3%

NOV 2024 vs NOV 2023

+9%

NOV 2024 vs NOV 2022

Average Transaction Values (ATVs): Garden Store

exc. VAT
£ 25.05

inc. VAT
£ 29.42

NOV 2024

VS NOV 2023 (exc. VAT)	VS NOV 2022 (exc. VAT)
+5% (£23.88)	+1% (£24.76)

November Transaction Numbers and Average Transaction Values (ATVs):

In the café/restaurant

Transaction numbers in the café/restaurant were up +3% in November 2024 versus November 2023, the same uplift as seen in the garden store. Consumers may have been looking to hide away from the bad weather and seek a treat whilst enjoying the Christmas visit. The ATV for November 2024 was £12.43 (exc. VAT), up +4% on November 2023, likely reflective of price inflation (see page 21) and a more items in the basket, as catering sales were up +7% by volume.

Transaction Numbers: Café/restaurant

+3%

NOV 2024 vs NOV 2023

+8%

NOV 2024 vs NOV 2022

N.B. For this edition, we report on the Median values for single month of November comparisons to more accurately reflect the market.

Average Transaction Values (ATVs): Café/restaurant

exc. VAT
£ 12.43

inc. VAT
£ 14.86

NOV 2024

VS NOV 2023 (exc. VAT)	VS NOV 2022 (exc. VAT)
+4% (£11.95)	+5% (£11.81)

Source: HTA Garden Retail Monitor

Garden Centre Sales:

November garden/gardening breakdowns

In November, garden/gardening sales were up +2% compared to November 2023, despite the challenging weather for Autumn gardening.

Plant care products did exceptionally well in November, up +14% compared to November 2023, followed by bulbs (+8%), bedding and other plants (+5%) and hardy plants, shrubs and trees (+4%); highlighting appetite for gardening when the weather allowed. Comparisons to last year also reflect a considerably wetter November 2023.

In year-to-date comparisons, all garden categories except for features and structures (+6%) and bulbs (+3%) saw sales on par or below sales in 2023 up to the end of November. This year has been particularly difficult for the sector, with volatile weather, a shorter gardening season, and business pressures introduced along the way, most recently through the Autumn Budget.

Category	Nov 2024 vs 2023	YTD Nov 2024 vs 2023	Nov 2024 vs 2022
Bedding plants	+5%	-4%	+1%
Hardy plants, shrubs & trees	+4%	-10%	-1%
Indoor plants	-6%	-4%	-6%
Bulbs	+8%	+3%	-1%
Seeds (excl. grass seed)	-15%	-2%	-16%
Plant care products	+14%	0% (=)	+15%
Garden tools & equipment	-5%	-4%	0% (=)
Garden features & structures	+12%	+6%	+6%
Outdoor containers	+9%	0% (=)	-3%

YTD – Calendar year to end of November

Source: HTA Garden Retail Monitor

Garden Centre Sales:

November non-garden/gardening breakdowns

In November 2024, non-garden/gardening sales overall were up +8% compared to November 2023 including catering.

Christmas sales were up +21% on November 2023, a very encouraging sign. However, it is important to be mindful that November 2024 featured an extra Saturday, and it remains to be seen whether this is real growth or an shift in earlier sales which will take away from December. See page 11 for analysis of Christmas sub-categories.

Catering continued to perform well, with sales up +9% on November 2023, offering consumers shelter to avoid the poor weather and buy treats to add to their experience. Food & Farm Shop sales also did well, up +3% on November 2023, along with Gifting (+3%).

Year to end of November comparisons reflect a strong year for non-gardening ranges, with the exception of Indoor living.

Category	Nov 2024 vs 2023	YTD Nov 2024 vs 2023	Nov 2024 vs 2022
Indoor living & homewares	-1%	-2%	-3%
Gifting	+3%	+2%	+7%
Wild bird care	0% (=)	+6%	+24%
Pets	-2%	+1%	+7%
Food & farm shop	+3%	+11%	+15%
Catering	+9%	+12%	+26%
Xmas	+21%	+14%	+22%

YTD – Calendar year to end of November

Source: HTA Garden Retail Monitor

Garden Centre Sales

Christmas

Looking exclusively at sales of Christmas items in November 2024, there was remarkable growth compared to previous years. Real Christmas trees led the surge with a +43% increase in sales, suggesting a strong consumer preference for traditional, live trees this season. Although the price of real trees inflated by 8.1% compared to 2023, partially explaining the growth, the quantity of real trees sold in November also increased by 32%.

Artificial trees were up +26% compared to last November. Meanwhile, Christmas lights (+18%) and tree decorations (+15%) showed increased sales as well.

However, this substantial growth in November may indicate earlier purchasing patterns from consumers looking to spread the cost of their festive spending. This could be in light of various economic pressures, and/or the final day of November falling on a weekend together with the 1st of December which could've spurred festive visits. There were also five Saturdays in November 2024, one more than the prior two years. Therefore, we'll need to wait for December figures to determine if it is in fact real growth or spend pulled forwards.

Looking at the year-to-date (YTD) figures through to end of November, real trees once again stand out with a +39% increase compared to the same period in 2023. Other categories showed growth, with artificial trees at +9%, tree decorations at +7%, and Christmas lights at +6%.

The two-year comparison (November 2024 vs 2022) further highlights the strong sales of certain Christmas items in November 2024 – particularly lights (+30%) and real trees (+52%). While artificial trees (+13%) and tree decorations (+14%) show more modest increases compared to 2022, their recovery from the previous year and subsequent growth further highlights the strong performance of Christmas item sales this November.

Christmas Category	Nov 2024 vs 2023	YTD Nov 2024 vs 2023	Nov 2024 vs 2022
Artificial Trees	+26%	+9%	+13%
Real Trees	+43%	+39%	+52%
Christmas Lights	+18%	+6%	+30%
Tree Decorations	+15%	+7%	+14%

YTD – Calendar year to end of November

Source: HTA Garden Retail Monitor

Garden Centre Sales:

Calendar year to end of November

Thanks to strong November 2024 sales boosted by Christmas, we finally see sales in the positive for the year to end of month comparisons. Sales were up +1% for the year to end of November 2024 versus 2023. However, excluding strong-performing catering sales (+12% YTD), overall garden centre sales stood at -1% down for the year to end of November. Year to end of November comparisons highlight the strength of non-garden/gardening categories performance, up +8% versus 2023 and up +19% compared to 2022. However, garden/gardening sales have suffered this year at the hands of the weather, recording -4% versus year to end of November 2023, and -9% versus year to end of November 2022.

	Overall *Incl. catering*	**Overall** *excl. catering*	**Garden/ Gardening**	**Non-garden/ gardening** *incl. catering*	**Non-garden/ gardening** *excl. catering*
Calendar year to end of Oct 2024 vs Nov 2023	**+1%**	**-1%**	**-4%**	**+8%**	**+5%**
Calendar year to end of Oct 2024 vs Nov 2022	**+2%**	**-2%**	**-9%**	**+19%**	**+10%**

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**

Weather

November 2024 saw two drastically different halves to the month weather-wise. For the first half, the weather was mild and dry, albeit with low sunshine levels; and by contrast the second half featured Storms Bert & Conall bringing rain, snow and heavy winds. Despite this, rainfall was below average overall, with 68% of the long-term average rainfall for November recorded, and the fewest number of rain days in a November for 20 years. Notably, the weather was duller, but significantly drier than November 2023.

	Nov 2024	Nov 2023
Hours of sunshine	51.8	65.1

	Nov 2024	Nov 2023
Rainfall (mm)	83.9	120.0

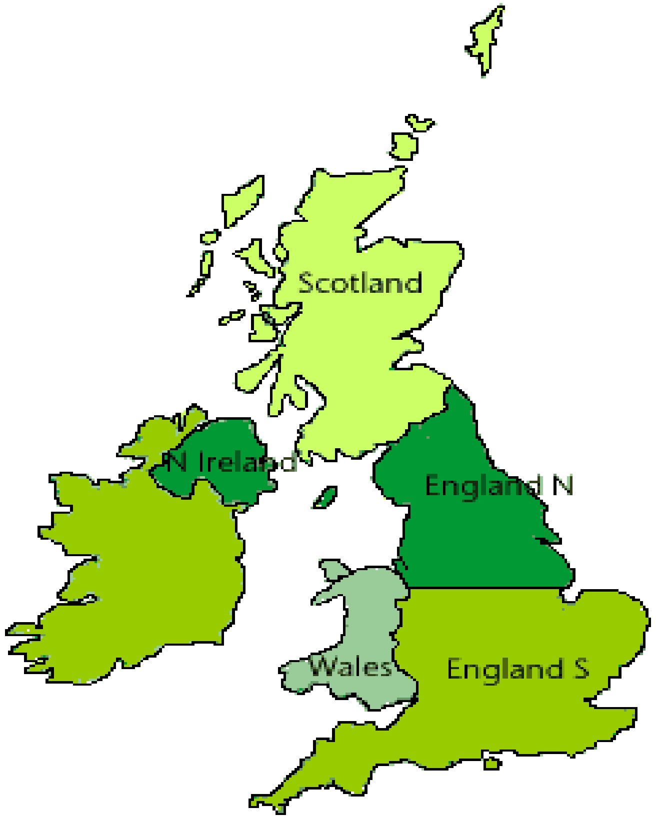
	Nov 2024	Nov 2023
No. of rain days	10.0	16.4

	Nov 2024	Nov 2023
Mean temperature (Celsius)	6.6	6.3

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.

Source: MET Office

Weather by region



Region	Mean Temp (Degrees Celsius)	Sunshine Hours	Rainfall (mm)
Overall	6.6	51.8	83.9
South England	7.7	56.4	84.3
North England	6.2	59.3	58.9
Wales	7.3	43.3	134.3
Scotland	5.4	47.3	84.3
Northern Ireland	7.5	37.3	86.3

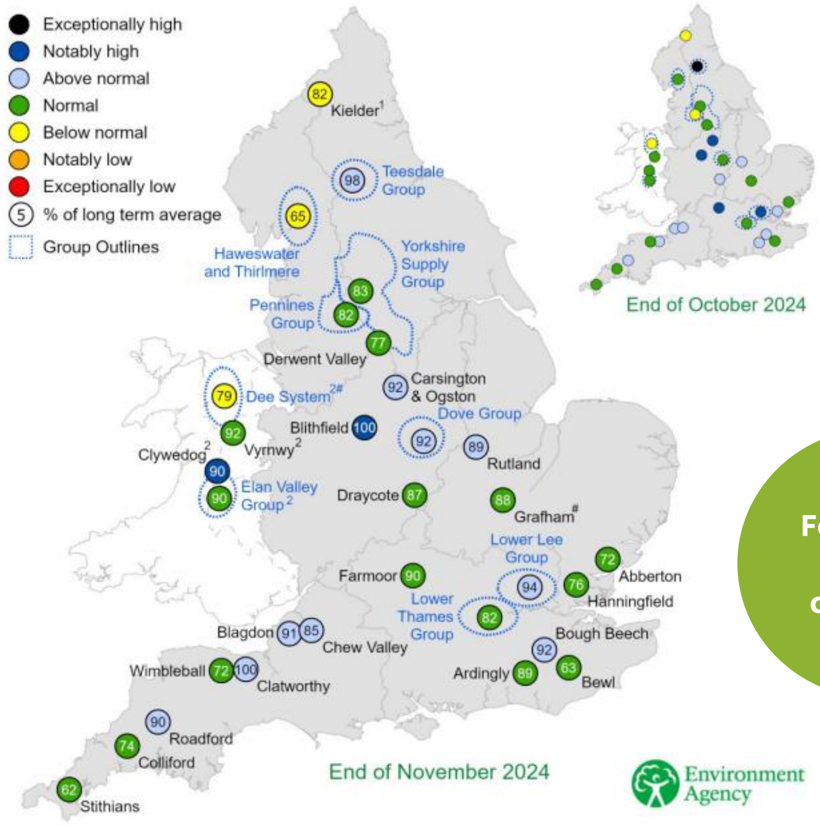
Storm Bert hit the UK, predominantly affecting South Wales and South-West England in the second half of November. Storm Conall also hit the south of England towards the very end of the month. Although most of the UK experienced lower sunshine hours than average, Scotland's was near average, with 99% of the average sunshine recorded last month.

Source: MET Office

Current reservoir levels

Reservoir stock increased at more than 80% of reservoirs reported on throughout November 2024. Just over half of reservoirs had levels classed as normal for the time of year; whilst a third were considered above normal.

The National Drought Group advises that due to the unpredictable weather, we must prepare not only for droughts, but flooding. This is even in the event of healthy water resources. More can be read in the latest update from the group here.



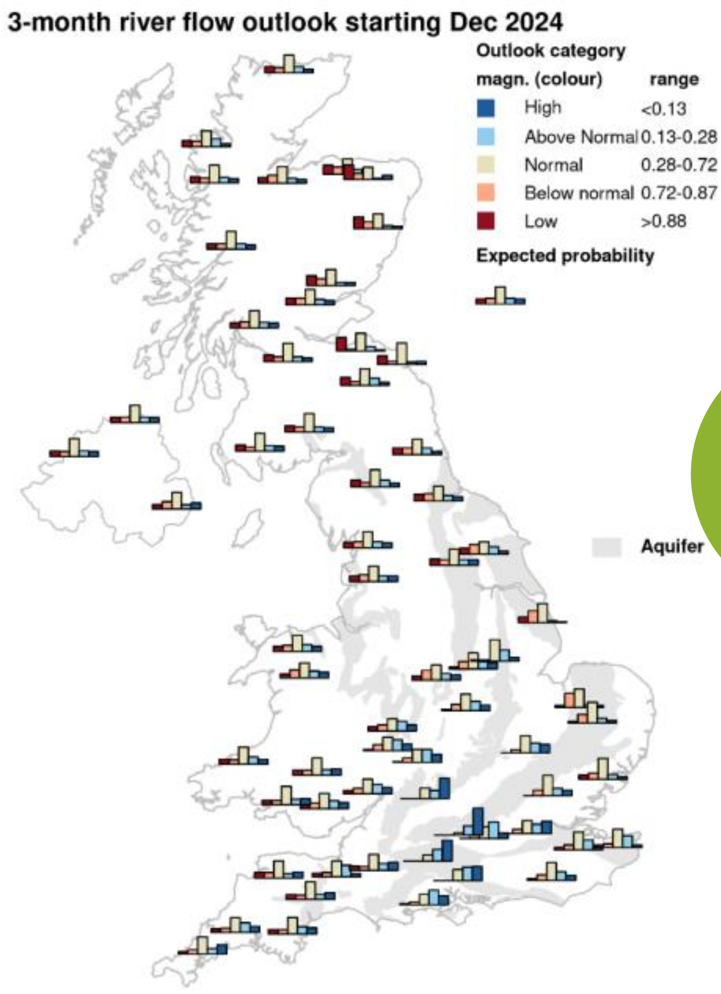
For the full reports click here

Source: Environment Agency

Forecast river flows

For the 3-month river flow outlook starting December 2024, flows are expected to be normal in most of the UK. In the south of England, ranges are expected to be normal to above normal, and some catchments may experience high 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.



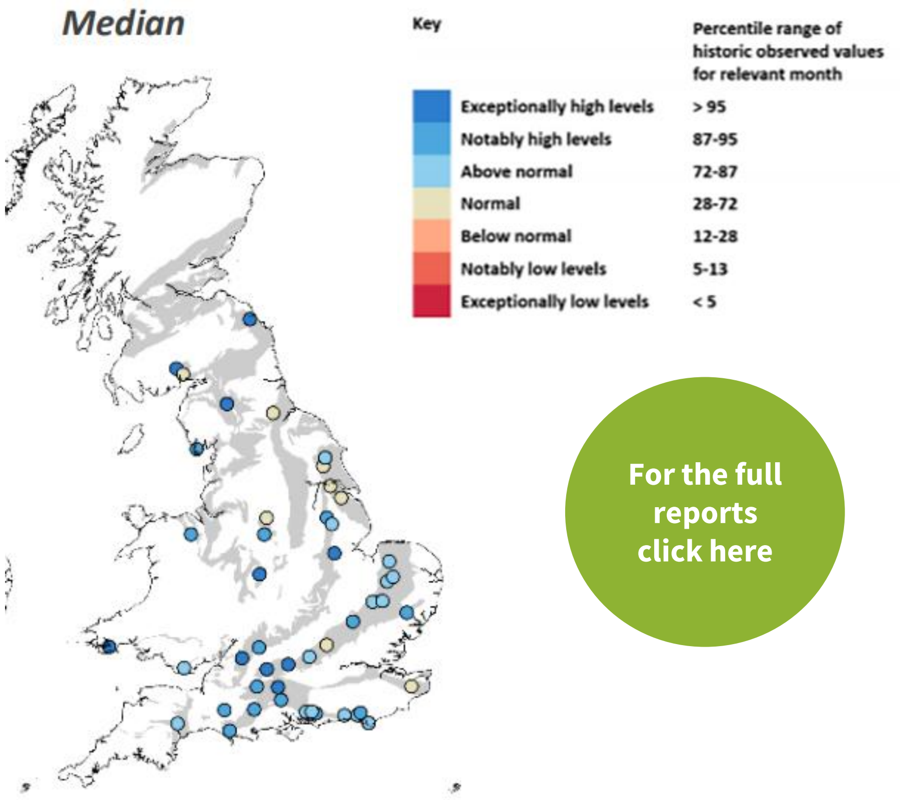
For the full reports click here

Source: Centre for Ecology and Hydrology

Forecast groundwater levels

Under median rainfall conditions, groundwater levels are predicted to remain above normal to exceptionally high to the end of February. Some sites are expected to be normal including parts of East Yorkshire, Lincolnshire and County Durham.

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

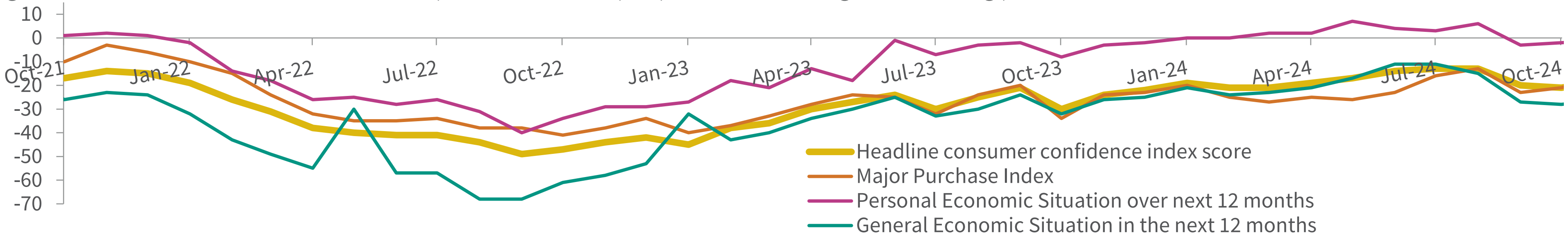


For the full reports click here

Source: Centre for Ecology and Hydrology

Consumer Confidence

Prior to November, the Autumn Budget was contributing to an uncertain mood. But despite the challenging measures now proposed and the completion of the US elections, consumer confidence increased by +3 points to -18. All measures excluding the Savings Index went up in November. In fact, the Major Purchase Index increased by 5 points, the highest increase overall. This was likely influenced by the Black Friday sales and consumers getting into their Christmas shopping. The other four measures on personal and general economic finances saw small improvements, but people are still feeling cost-of-living pressures.



Overall index score for Nov:

-18*

*this is 3 points higher than Oct 2024

Measure	Relative score (November 2024)	vs. Oct 24
Personal financial situation: during last 12 months **over next 12 months**	-9 **-1**	1 point higher **1 point higher**
General economic situation: during last 12 months **over next 12 months**	-39 **-26**	3 points higher **2 points higher**
Major Purchase Index	-16	5 points higher
Savings Index	24	3 points lower

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.**

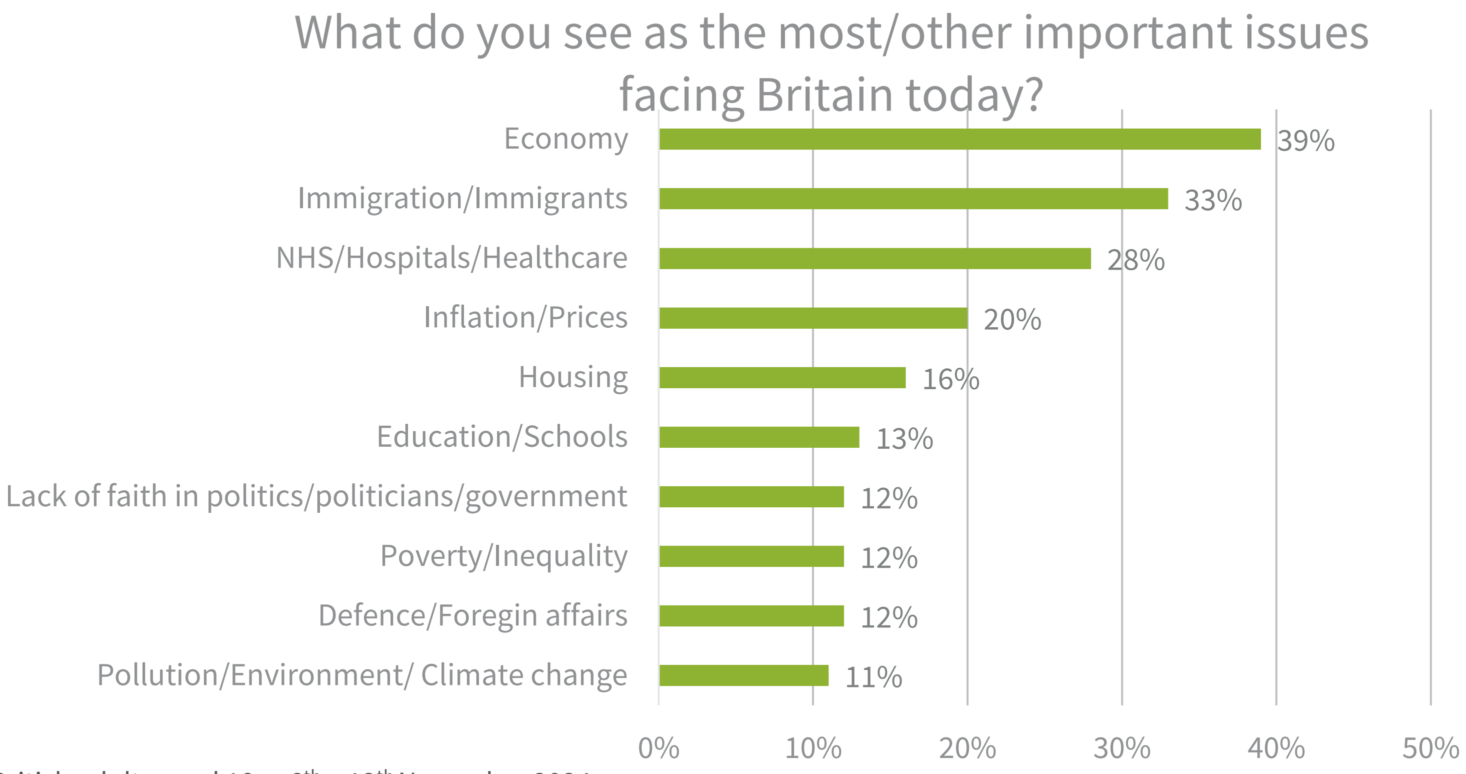
Base: 2,001 UK Individuals aged 16+, interviewed October 30th – 15th November 2024

Source: NIQ & GfK

Consumer Issues Tracker:

November

The economy moved up a place and became the topmost concern for UK citizens according to Ipsos' Issues Index for November. This is likely due to the Budget bringing attention to the country's finances and the slight increase in inflation. Immigration was in 2nd spot, followed by the NHS as the service continues to strain with pressure on services and appointments. Inflation and housing were the 4th and 5th most concerns respectively and remained unchanged in November.



Change since Oct:	
%	Position
+3	↑+1
-5	↓-1
-5	=
+1	=
+1	=
+2	↑+3
-2	=
=	↑+1
-3	↓-2
=	↓-1

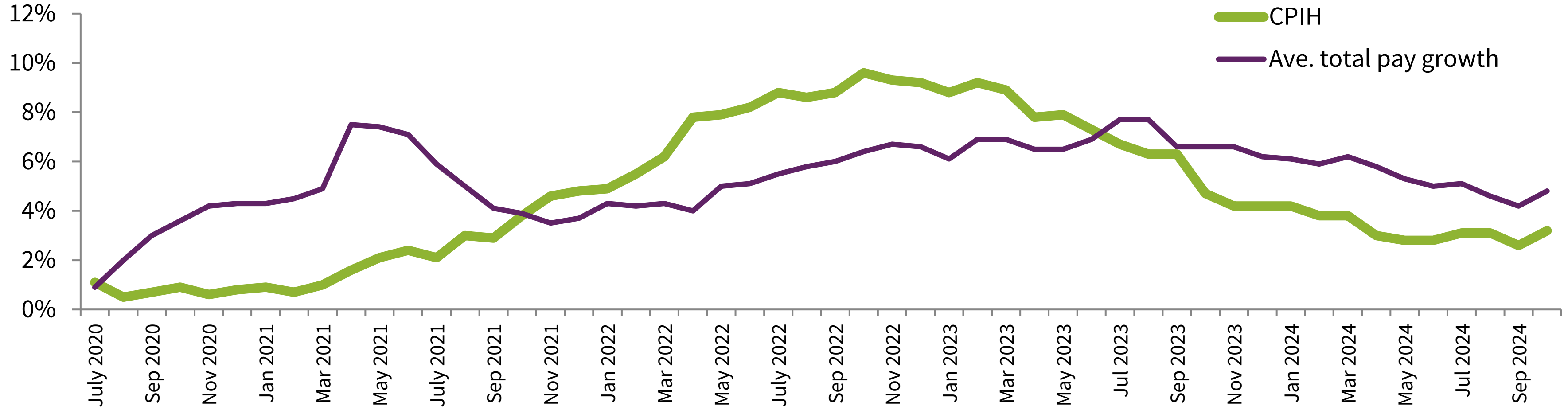
Base: 1,008 British adults aged 18+, 6th – 12th November 2024

Source: Ipsos

Inflation and Wages

Each month, we report on the latest official Consumer Prices Index including owner occupiers' housing costs (CPIH) inflation rate, which was 3.2% in October 2024, marking an increase of 0.6% on the previous month. While inflation has moderated significantly compared to previous years, the recent economic contraction in October (-0.1% GDP) suggests ongoing challenges for the UK economy. Average earnings growth slowed to 4.2% between July and September 2024, revised down from 4.8% reported last month, though still outpacing inflation by one percentage point. This real-terms wage growth provides some relief for households.

The Autumn Budget introduced significant changes to wage structures and business costs from April 2025. The National Living Wage will increase to £12.21 per hour, while employer National Insurance contributions will rise from 13.8% to 15% for salaries above £5,000. Findings obtained via HTA's November Consultation Survey and Q3 2024 Business Barometer project a 21% reduction in net profits for members in 2024 (without any mitigating actions being taken). This is equivalent to £134 million across the sector. Consequently, two-thirds of members reported that they expected to increase their prices in response to these changes, suggesting potential upward pressure on inflation in 2025.



CPIH inflation (Oct 2024) **3.2%**

Average pay growth (Jul–Sep 2024) **4.2%**

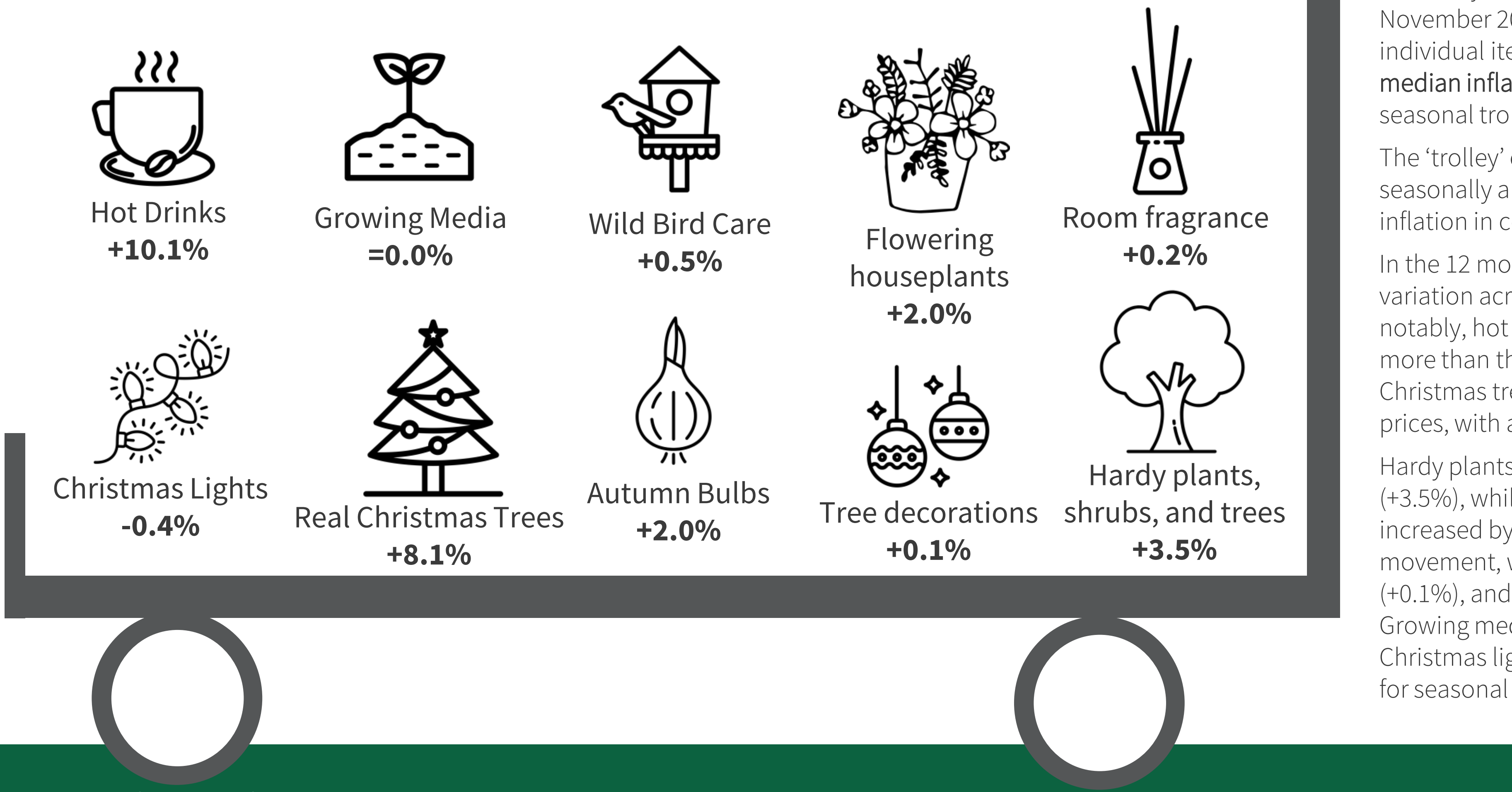
Unemployment Rate (Jul–Sep 2024) **4.3%**

Sources:
gov.uk; HTA & APL Consultation Survey November 2024; HTA Q3 Business Barometer

Retail inflation on garden products

Our November Trolley

(November 2024 vs November 2023 price inflation)



Our analysis compares garden centre prices between November 2023 and November 2024, comparing the price of individual items transacted in garden centres. We calculated a **median inflation rate** across each category featured in our seasonal trolley.

The 'trolley' of goods that are selected are intended to be seasonally appropriate, as a model of the level of price inflation in consumer's baskets.

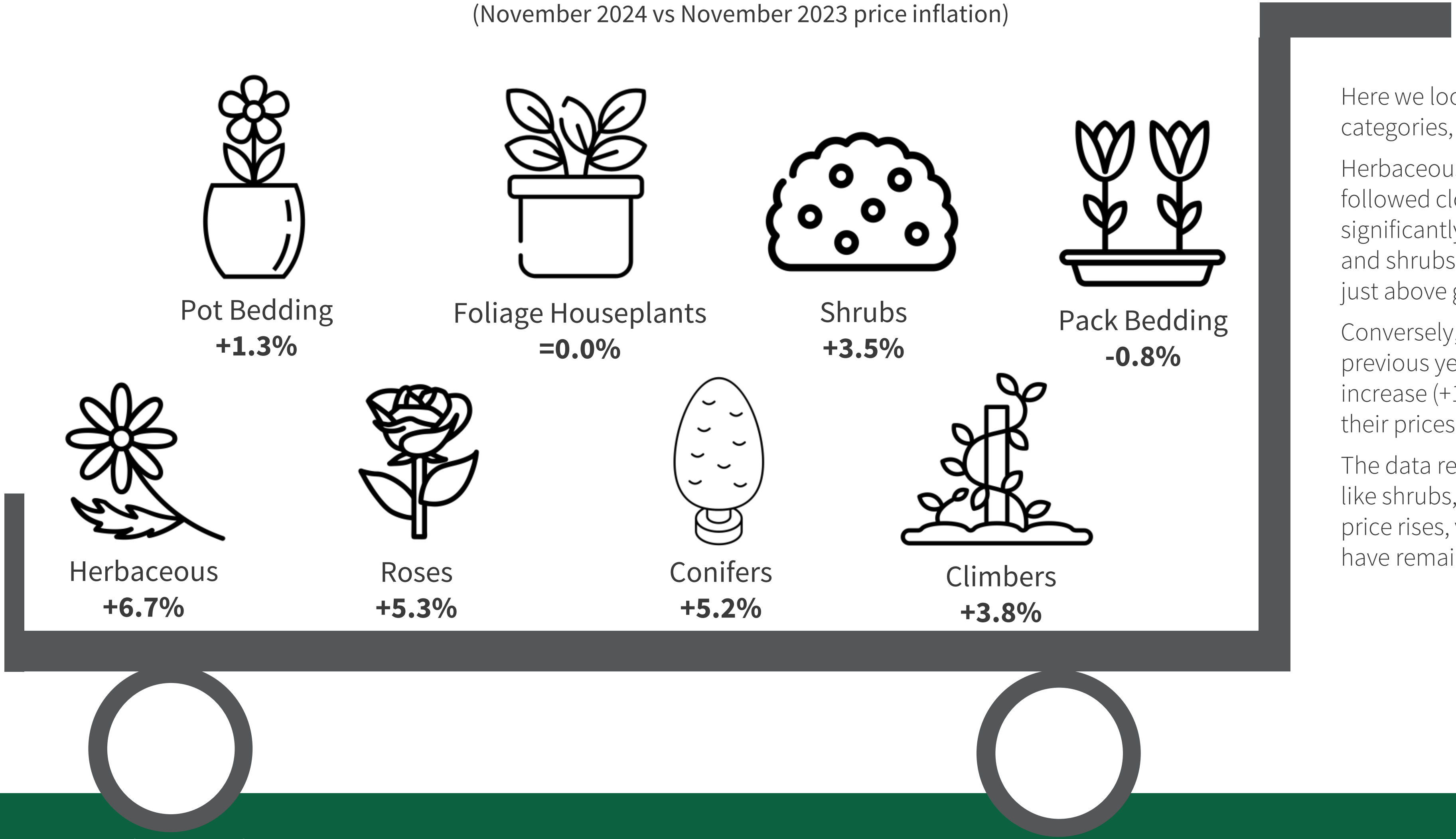
In the 12 months to November 2024, there was significant variation across our garden centre inflation basket. Most notably, hot drinks saw substantial price inflation (+10.1%), more than three times the current CPIH rate of 3.2%. Real, live Christmas trees were also notably inflated compared to 2023 prices, with a median price inflation of +8.1%.

Hardy plants, shrubs, and trees experienced moderate inflation (+3.5%), while flowering houseplants and autumn bulbs both increased by 2.0%. Several categories showed minimal movement, with room fragrance (+0.2%), tree decorations (+0.1%), and wild bird care (+0.5%) all rising only slightly. Growing media remained unchanged year on year, while Christmas lights decreased slightly (-0.4%), offering some relief for seasonal shoppers.

Source: HTA Garden Retail Monitor

Retail inflation on plants

(November 2024 vs November 2023 price inflation)



Here we look at retail price inflation across various plant categories, comparing November 2024 with November 2023.

Herbaceous plants showed the highest inflation at +6.7%, followed closely by roses (+5.3%) and conifers (+5.2%) - all significantly above the CPIH rate of 3.2%. Climbers (+3.8%) and shrubs (+3.5%) also experienced notable price increases just above general inflation levels.

Conversely, pack bedding prices decreased slightly on the previous year (-0.8%), while pot bedding saw a modest increase (+1.3%). Meanwhile, foliage houseplants maintained their prices at the same level on average as 2023.

The data reveals a clear split between hardy garden plants like shrubs, roses, and conifers, which saw above-inflation price rises, versus seasonal and indoor plants where prices have remained more stable.

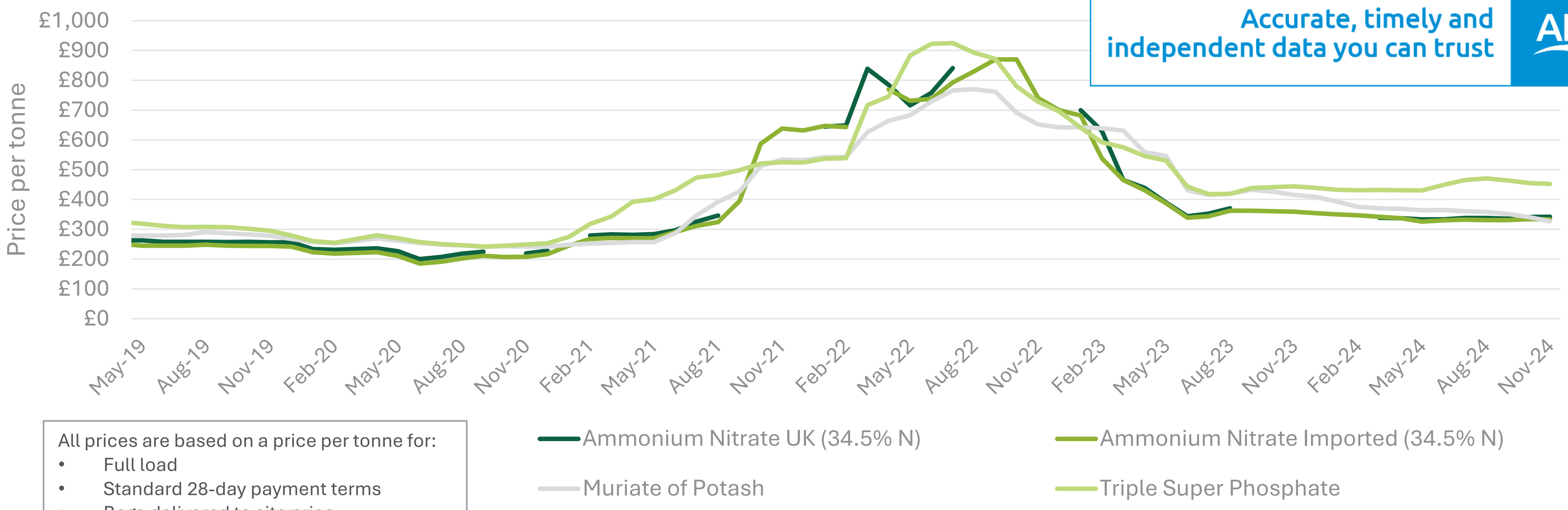
Source: HTA Garden Retail Monitor

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. The cost of the key components tracked remained similar to those seen a year ago, and substantially below the peaks of 2022.

Accurate, timely and independent data you can trust

AHDB

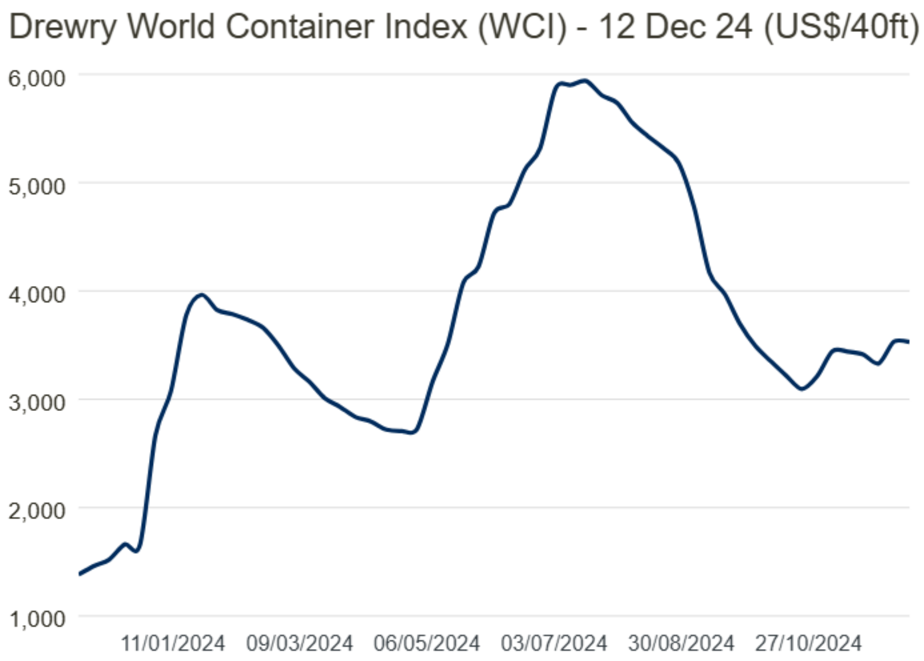


All prices are based on a price per tonne for:

- 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 $3,529 for a 40ft container as of 12th December 2024, representing a significant drop (-66%) since the pandemic peaks of c. $10,000 in 2021. Prices remain more than $1,000 higher than the 10-year average however, putting further pressure on profit margins.



$3,529

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

Source: Drewry

Closing Comments

Get in touch

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 get in touch.

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