HTA

Market Update

January 2025

Contents

Overview

- 2024 was characterised by a year of challenging trading conditions for garden businesses, including volatile weather, rising overhead costs putting pressure on margins and fragile consumer confidence. Overall, garden centre sales ended up +2% compared to the full year of 2023, but down -1% when excluding catering. Catering was again a star performer, with sales up +11% in 2024 versus 2023.
- An earlier Easter boosted March sales, before a wet and cool April-June dampened the core gardening season.
- Autumn sales of non-garden/gardening ranges helped to claw back some of the lost sales, whilst an extra Saturday in November kickstarted a strong Christmas performance (Christmas sales were +7% for the full 2024 calendar year vs 2023).
- These earlier sales were reflected in December's figures though, with December down -1% overall, and -3% excluding catering.
- Transactions in the garden centre were up +3% in December as garden centres continued to be a 'go to' destination over the festive period. Meanwhile, Average Transaction Values were down -2% to £25.64 (ex VAT) and sales volumes (excl. catering) were down -3%, suggesting there were fewer items in customers' baskets.
- Consumer confidence improved +1point from November to December but remains at similar levels seen throughout 2024. Whilst still far from strong, consumer ratings of their personal financial situations over the next year are in positive territory; it is the ratings of the country's general economy and sentiments about making major purchases that are pulling down the overall score.
- The 2024 figures highlight the challenges garden businesses have faced, notably with plant sales and core gardening most impacted by the weather. But the figures also highlight the resilience of garden centres as leisure destinations in poorer weather and tougher economic times, with strong non-gardening ranges and hospitality offerings.

- **Read on for the detail…**

Key Points:

December

Overall December Garden Centre sales were **down -1%** incl. catering vs December 2023

Overall Garden Centre sales were +2% 2024 vs **2023**

Consumer confidence grew 1 pt from November to December 2024

Christmas sales for year to end of **2024 was +7% vs 2023**

Catering sales were **up +6%** vs December 2023

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

Garden centre sales:

2024 - a year in review

March 2024: Earlier Easter boosted March sales

Mar – Jul 2024: Wet and cool garden season

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2024 vs 2023	+3%	-5%	+17%	-8%	-1%	-2%	+2%	+8%	+4%	+6%	+7%	-1%
2024 vs 2022	+2%	+15%	-5%	-25%	+10%	+14%	+5%	+15%	+16%	+10%	+14%	+5%

Feb 2022: Domestic restrictions for Covid lifted

November 2024: 5 Saturdays in the month pulled Christmas forward and affected Dec sales

Garden Centre Sales:

2024 year in review

2024 got off to a reasonably good start, up +3% in January comparisons. Thanks to the earlier Easter, March sales were up +17% pulling up the year to end of March figures to +6%. A cool and wet garden season affected the year-to-date comparisons after March, with trade tracking flat on 2023 from the year to end of April to year to end of July. The year finished on a positive note, up +2% on full calendar year, boosted by good Christmas sales in November 2024.

Garden centre sales:

December

Overall garden centre sales for December 2024 were down -1% on December 2023, including catering. Overall sales were down mostly due to garden/gardening sales which were down -6%. Plant categories did not fare well (see page 11) though did not make up a large percentage of sales. Non-garden/gardening sales were down -1% versus December 2023, however catering still did well within this category, up +6% (see page 12). Catering had more of an effect on 2022 comparisons. Overall sales were up +5% on December 2022, but flat when excluding catering.

	Overall *Incl. catering*	**Overall** *excl. catering*	**Garden/ gardening**	**Non-garden/ gardening** *incl. catering*	**Non-garden/ gardening** *excl. catering*
Dec 2024 vs Dec 2023	-1%	-3%	-6%	-1%	-1%
Dec 2024 vs Dec 2022	+5%	0% (=)	-1%	+4%	+5%

(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:

December

Overall garden centre sales were down -1% by value when comparing December 2024 with December 2023, while volumes were flat. This indicates similar levels of overall demand as compared to December 2023. Gardening goods however showed signs of inflation and were down -2% in sales values but down -4% on sales volumes when comparing December 2024 with December 2022.

Dec 2024 vs Dec 2023	**Overall** *Incl. catering*	**Overall** *Excl. catering*	**Garden/ Gardening**	**Non-garden/ Gardening** *Incl. catering*	**Non-garden/ Gardening** *Excl. catering*
Value of sales (£, exc. VAT)	**-1%**	**-3%**	**-6%**	**-1%**	**-1%**
Volume of sales	**0% (=)**	**-3%**	**-7%**	**0%**	**-2%**

Dec 2024 vs Dec 2022	**Overall** *Incl. catering*	**Overall** *Excl. catering*	**Garden/ Gardening**	**Non-garden/ Gardening** *Incl. catering*	**Non-garden/ Gardening** *Excl. catering*
Value of sales (£, exc. VAT)	**+4%**	**0% (=)**	**-2%**	**+3%**	**+1%**
Volume of sales	**+6%**	**0% (=)**	**-4%**	**+7%**	**+1%**

Source: HTA Garden Retail Monitor

December Transaction Numbers and Average Transaction Values (ATVs):

In the garden store

Transaction numbers in the garden store were up +3% when comparing December 2024 with December 2023. Average transaction values (ATVs) were down -2% to £25.64 (exc. VAT). Although transaction number figures indicate more footfall (+3%), the baskets were seemingly smaller as sales volumes were also down -3% excl. catering, despite garden items showing some evidence of price inflation (see page 8 and pages 22 & 23 for more). Sales of real trees and Christmas lights were down as well (albeit a portion of which were pulled earlier into November), which likely pulled down ATVs as bigger ticket items.

Transaction Numbers: Garden Store

+3%

DEC 2024 vs DEC 2023

+7%

DEC 2024 vs DEC 2022

Average Transaction Values (ATVs): Garden Store

exc. VAT
£ 25.64

inc. VAT
£ 29.98

DEC 2024

VS DEC 2023 (exc. VAT)	VS DEC 2022 (exc. VAT)
-2% (£26.29)	-3% (£26.37)

Source: HTA Garden Retail Monitor

December Transaction Numbers and Average Transaction Values (ATVs):

In the café/restaurant

Transaction numbers in the café/restaurant were flat in December 2024 versus December 2023. The ATV for December 2024 was £13.13 (exc. VAT), up +2% on December 2023. Items such as hot drinks faced price inflation (page 22) and may have contributed to the increase in basket value.

Transaction Numbers: Café/restaurant

0% (=)

DEC 2024 vs DEC 2023

+11%

DEC 2024 vs DEC 2022

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

Average Transaction Values (ATVs): Café/restaurant

exc. VAT

£ 13.13

inc. VAT

£ 15.66

NOV 2024

VS DEC 2023 (exc. VAT)	VS DEC 2022 (exc. VAT)
+2% (£12.83)	+5% (£12.49)

Source: HTA Garden Retail Monitor

Garden Centre Sales:

December garden/gardening breakdowns

In December, garden/gardening sales were down -7% compared to December 2023. December is not a core gardening month.

Bedding plants did exceptionally well in December, up +8% compared to December 2023, followed by bulbs, up +7% and garden features & structures and outdoor containers, both up +4%. Indoor plants (-16%) did poorly in December 2024 versus December 2023 comparisons. Indoor plants are usually popular gifts to give people i.e. poinsettias.

In full calendar year 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 December. The cooler, wetter weather we saw this year reduced the desire for gardening and actual ability to get out into the garden. We ended the year with key plant categories down, including bedding plants (-4%) and Hardy plants (-9%) as a result.

Category	Dec 2024 vs 2023	YTD Dec 2024 vs 2023	Dec 2024 vs 2022
Bedding plants	+8%	-4%	+24%
Hardy plants, shrubs & trees	-7%	-9%	+12%
Indoor plants	-16%	-5%	-7%
Bulbs	+7%	+3%	-14%
Seeds (excl. grass seed)	-10%	-2%	-1%
Plant care products	+2%	0% (=)	+13%
Garden tools & equipment	-11%	-5%	-8%
Garden features & structures	+4%	+6%	+9%
Outdoor containers	+4%	0%(=)	0%(=)

YTD – Calendar year to end of December

Source: HTA Garden Retail Monitor

Garden Centre Sales:

December non-garden/gardening breakdowns

In December 2024, non-garden/gardening sales overall were down -1% compared to December 2023 including catering.

Christmas sales was flat when compared to December 2023. However, it made 26% total store sales in December 2024. Christmas sales were down -1% when comparing December 2024 with December 2022. We ended the year with Christmas up +7% on year to date comparisons. This balances out the effect of earlier sales in November and gives a truer indication of performance. More on Christmas comparisons in the next page.

Indoor living made up 9% of total stores sales for December. It was down -8% therefore likely to be the reason for the overall figure.

Catering performed well, up +6% on December 2023, as consumers enjoyed treats in the café and restaurant. Gifting did well, up +4%, followed by pets which was flat.

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

Category	Dec 2024 vs 2023	YTD Dec 2024 vs 2023	Dec 2024 vs 2022
Indoor living & homewares	-8%	-3%	-7%
Gifting	+4%	+3%	+13%
Wild bird care	-5%	+4%	-13%
Pets	0% (=)	+1%	+6%
Food & farm shop	-1%	+8%	+12%
Catering	+6%	+11%	+25%
Xmas	0% (=)	+7%	-1%

YTD – Calendar year to end of December

Source: HTA Garden Retail Monitor

Garden Centre Sales

Christmas

Artificial Christmas trees were the only category up, +14% in December 2024 compared with December 2023. Christmas sales fared better in November 2024 thanks to an extra Saturday than normal, influencing December sales.

Overall, in year-to-date comparisons, all categories listed did well, in particular artificial trees (up +11%). This was followed by real trees, up +5%; decorations which were up +2% and tree decorations which were up +1%. This showed good performance amongst the two types of trees, however decoration and lights were closer to last year's performance.

Artificial trees did not do well in 2022 comparisons, down -8% comparing December 2024 with December 2022. This could've been due to Covid purchasing encouraging product replacement at the time.

Christmas Category	Dec 2024 vs 2023	YTD Dec 2024 vs 2023	Dec 2024 vs 2022
Artificial Trees	+14%	+11%	-8%
Real Trees	-3%	+5%	-3%
Christmas Lights	-4%	+1%	+2%
Tree Decorations	-4%	+2%	-1%

YTD – Calendar year to end of December

Source: HTA Garden Retail Monitor

Garden Centre Sales:

Calendar year to end of December

Overall year to end of December comparisons were up +2% compared with December 2023. This value pulled up by catering, down -1% when excluded. This is despite the stormy weather we saw with Storm Darragh, bringing in rain and heavy winds. Garden/gardening full year comparisons were down -4% in the full year of 2024 or 2023. Catering finished at +11% for the full year as desire to go to the café/restaurant remained strong throughout the year.

	Overall *Incl. catering*	**Overall** *excl. catering*	**Garden/ Gardening**	**Non-garden/ gardening** *incl. catering*	**Non-garden/ gardening** *excl. catering*
Calendar year to end of Dec 2024 vs Dec 2023	+2%	-1%	-4%	+6%	+3%
Calendar year to end of Dec 2024 vs Dec 2022	+4%	-2%	-9%	+13%	+7%

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.

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Source: HTA Garden Retail Monitor

Weather

December 2024 was a notably milder December than usual. In fact, it was the fifth warmest however it was the fourth dullest December on record. In 2024, the weather was very unsettled and uncharacteristic throughout the year. It was the fourth warmest year on record for the UK, with a wet spring & autumn, a mild winter and cool summer. We also saw 12 named storms in the year of 2024, the highest number since 2015 when storms started being named.

	Dec 2024	Dec 2023
Hours of sunshine	24.3	27.5

	Dec 2024	Dec 2023
Rainfall (mm)	139.4	189.9

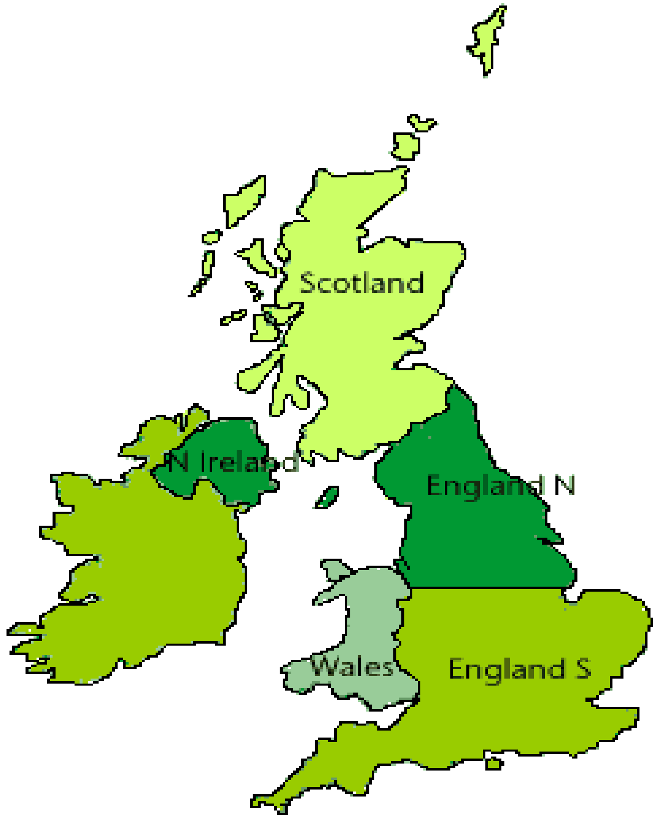
	Dec 2024	Dec 2023
No. of rain days	15.3	21.1

	Dec 2024	Dec 2023
Mean temperature (Celsius)	6.2	5.8

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	6.2	24.3	139.4
South England	7.0	27.7	61.5
North England	6.4	29.4	121.3
Wales	6.6	22.0	187.4
Scotland	5.1	18.5	232.1
Northern Ireland	6.5	22.8	84.1

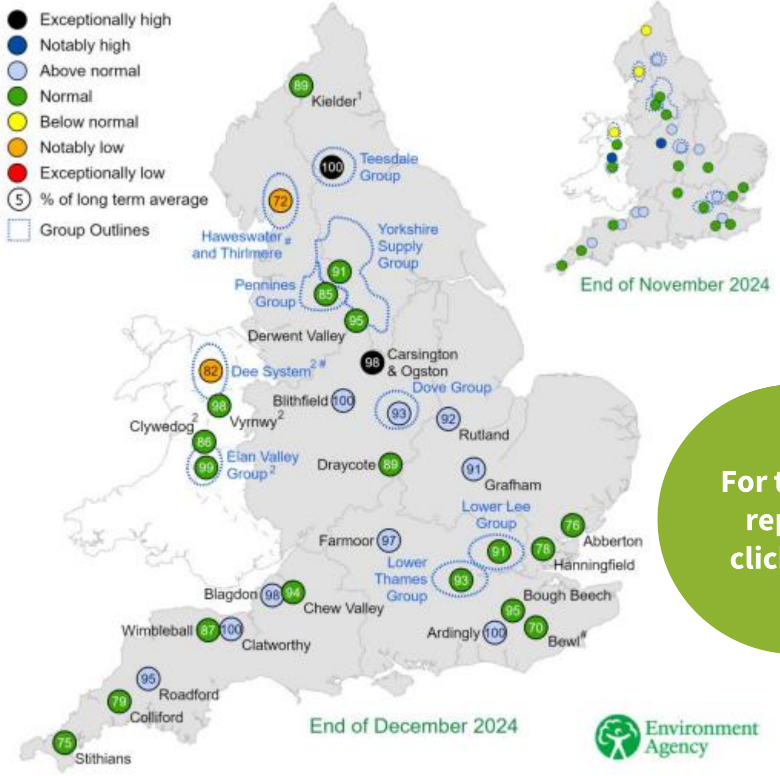
Storm Darragh hit western parts of England and Wales in early December, bringing very strong winds. Although the UK was relatively mild, North England and Scotland were cooler than South England and Wales. Scotland had 133% of the long-term average rainfall and was remarkably wet.

Source: MET Office

Current reservoir levels

Reservoir stock increased at all but three of the reservoirs and reservoir groups that were reported. For England, total storage was 89% at the end of December.

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.



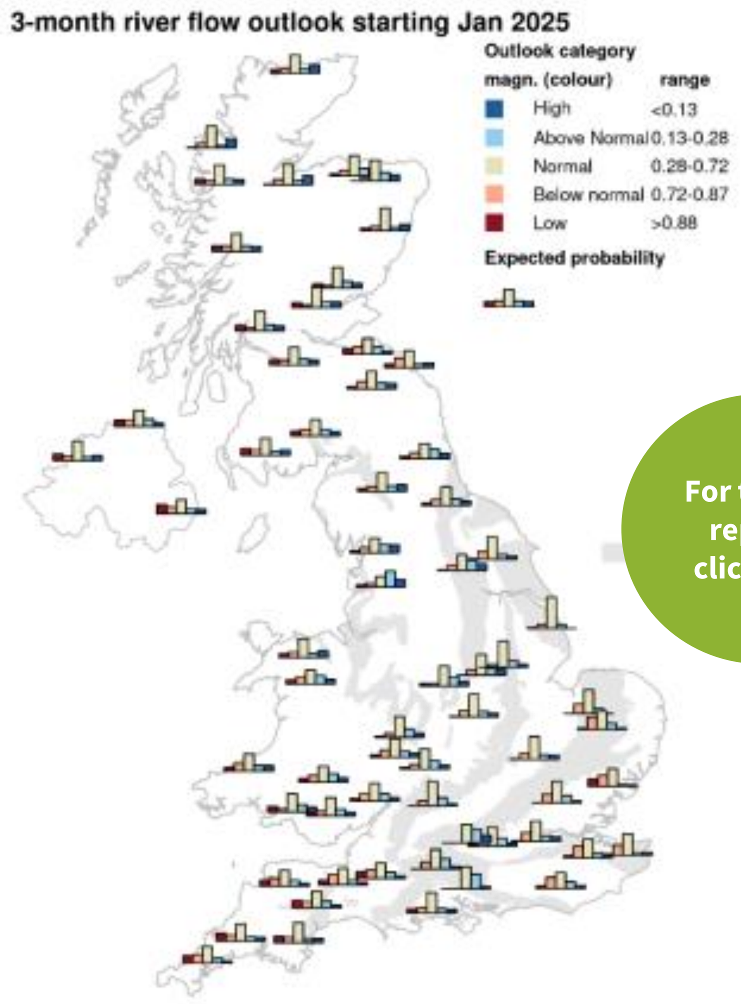
For the full reports click here

Source: Environment Agency

Forecast river flows

For the 3-month river flow outlook starting January 2025, flows are expected to be normal across the UK.

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.



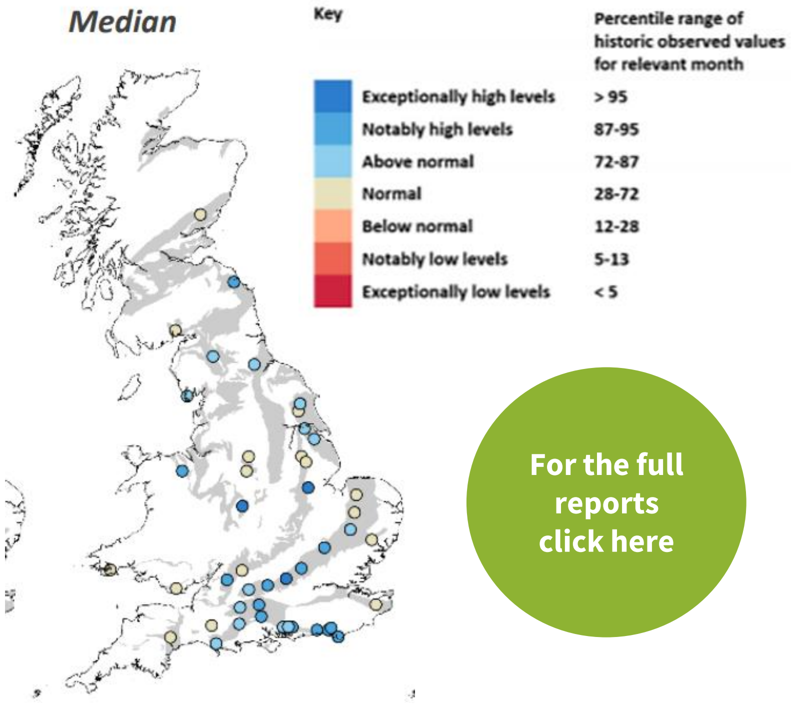
For the full reports click here

Source: Centre for Ecology and Hydrology

Forecast groundwater levels

Under median rainfall conditions, groundwater levels are predicted to remain normal in East Anglia, Lincolnshire and Central England. They are predicted to be above normal or notably high in Wessex Chalk and South Downs Chalk.

Three-month groundwater outlook starting January 2025 (based on median rainfall forecasts)



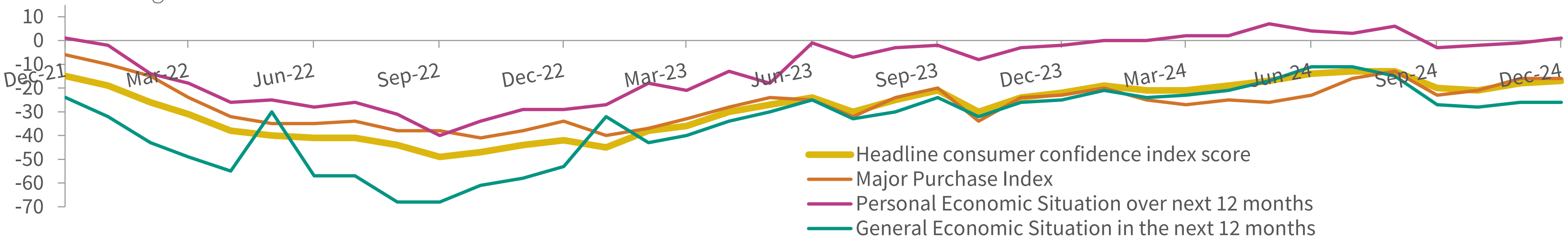
For the full reports click here

Source: Centre for Ecology and Hydrology

Source: Centre for Ecology and Hydrology

Consumer Confidence

December's consumer confidence score rose by 1 point to -17, despite some measures remaining unchanged, such as the general economic outlook for the past and next 12 months and the Major Purchase Index. The index showed hesitancy in making large purchases, even during the Christmas season. Consumers also expressed uncertainty about the economic situation, as reflected in the scores for the general economic outlook. Consumers are a bit more optimistic about their personal finances despite the economy being far from strong.



Overall index score for Dec:

-17*

*this is 1 point higher than Nov 2024

Measure	Relative score (December 2024)	vs. Nov 24
Personal financial situation: during last 12 months **over next 12 months**	-7 **+1**	2 points higher **2 points higher**
General economic situation: during last 12 months **over next 12 months**	-39 **-26**	Equal **Equal**
Major Purchase Index	-16	Equal
Savings Index	21	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: 2,015 UK Individuals aged 16+, interviewed November 28th – 9th December 2024

Source: NIQ & GfK

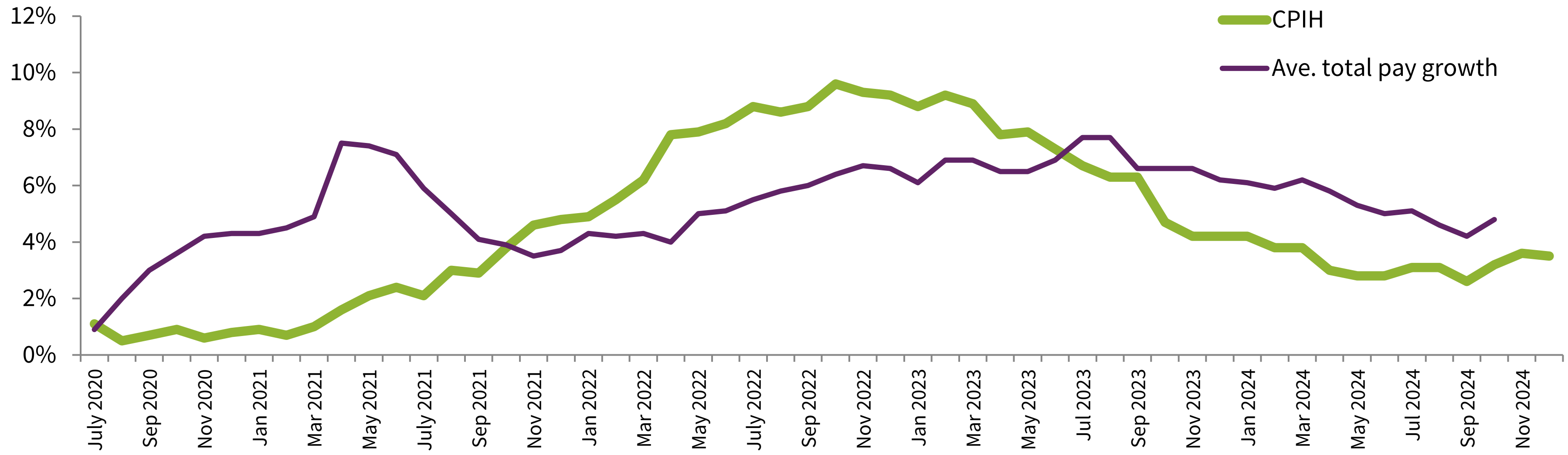
Inflation and Wages

Each month, we report on the latest official Consumer Prices Index including owner occupiers' housing costs (CPIH) inflation rate, which was 3.5% in December 2024, remaining the same as the previous month. Stabilising inflation is positive for household and business budgets, so this bodes well for consumer baskets. Average earnings growth was 5.2% between July and September 2024, revised up from 4.4% reported in July – September 2024 measures. However, this value is still above the rate of CPIH inflation. This real-terms wage growth provides some relief for households. The unemployment rate remained the same at 4.3%, indicating a tight labour market.

CPIH inflation (Dec 2024) **3.5%**

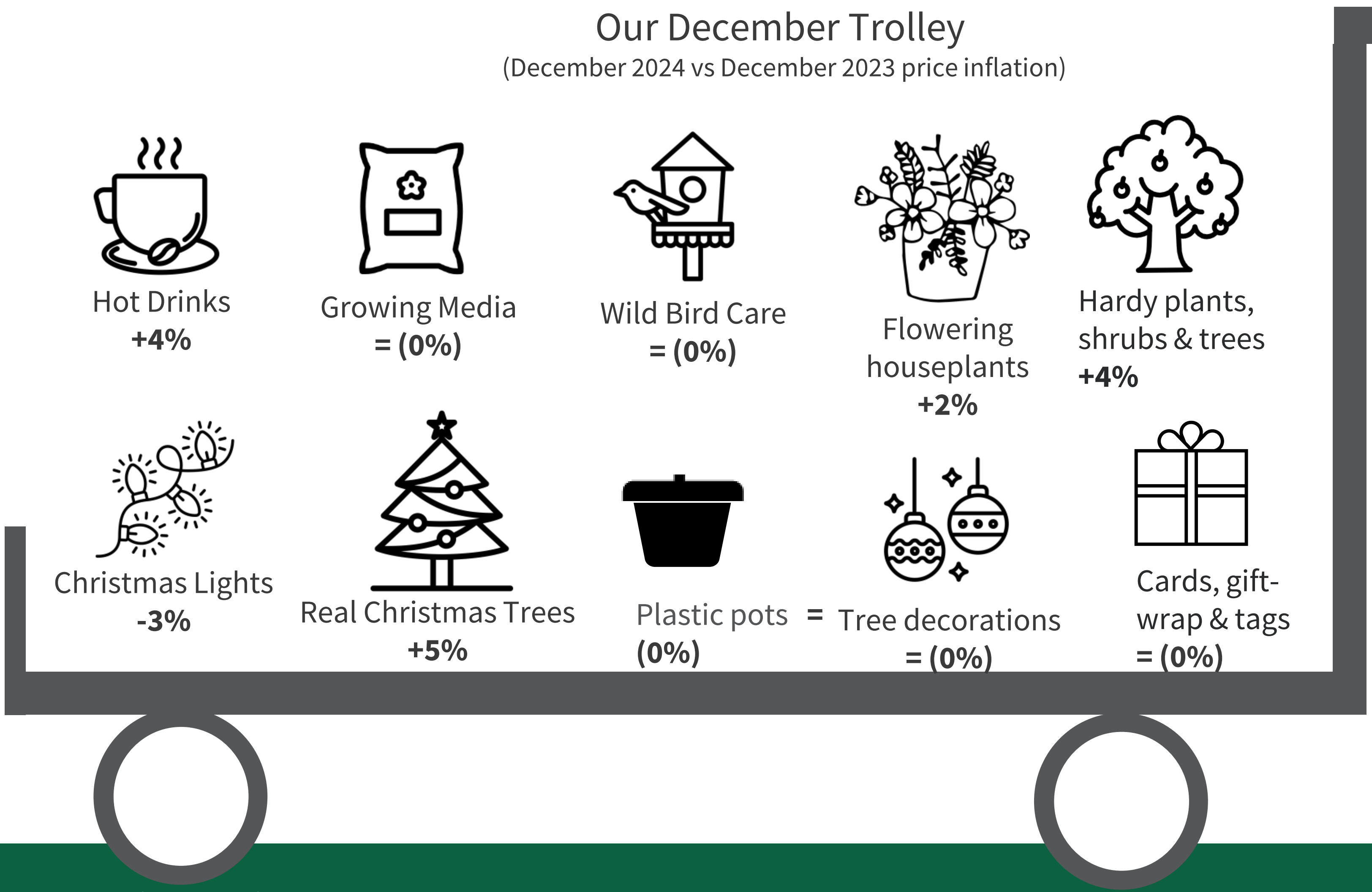
Average pay growth (Aug – Oct 2024) **5.2%**

Unemployment Rate (Aug – Oct 2024) **4.3%**



Sources: gov.uk

Retail inflation on garden products



Our analysis compares garden centre prices between December 2023 and December 2024, comparing the prices 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 selected is intended to be seasonally appropriate, as a model of the level of price inflation in consumer's baskets.

In the 12 months to December 2024, there was significant variation across our garden centre inflation basket. Most notably, around Christmas-related products. For example, Real Christmas trees show higher inflation when compared to 2023 prices, with a median price inflation of +5%. Conversely, other Christmas-related products such as Christmas lights (-3%) showed price deflation. Tree decorations and Cards, gifts and tags had prices on par with December 2023.

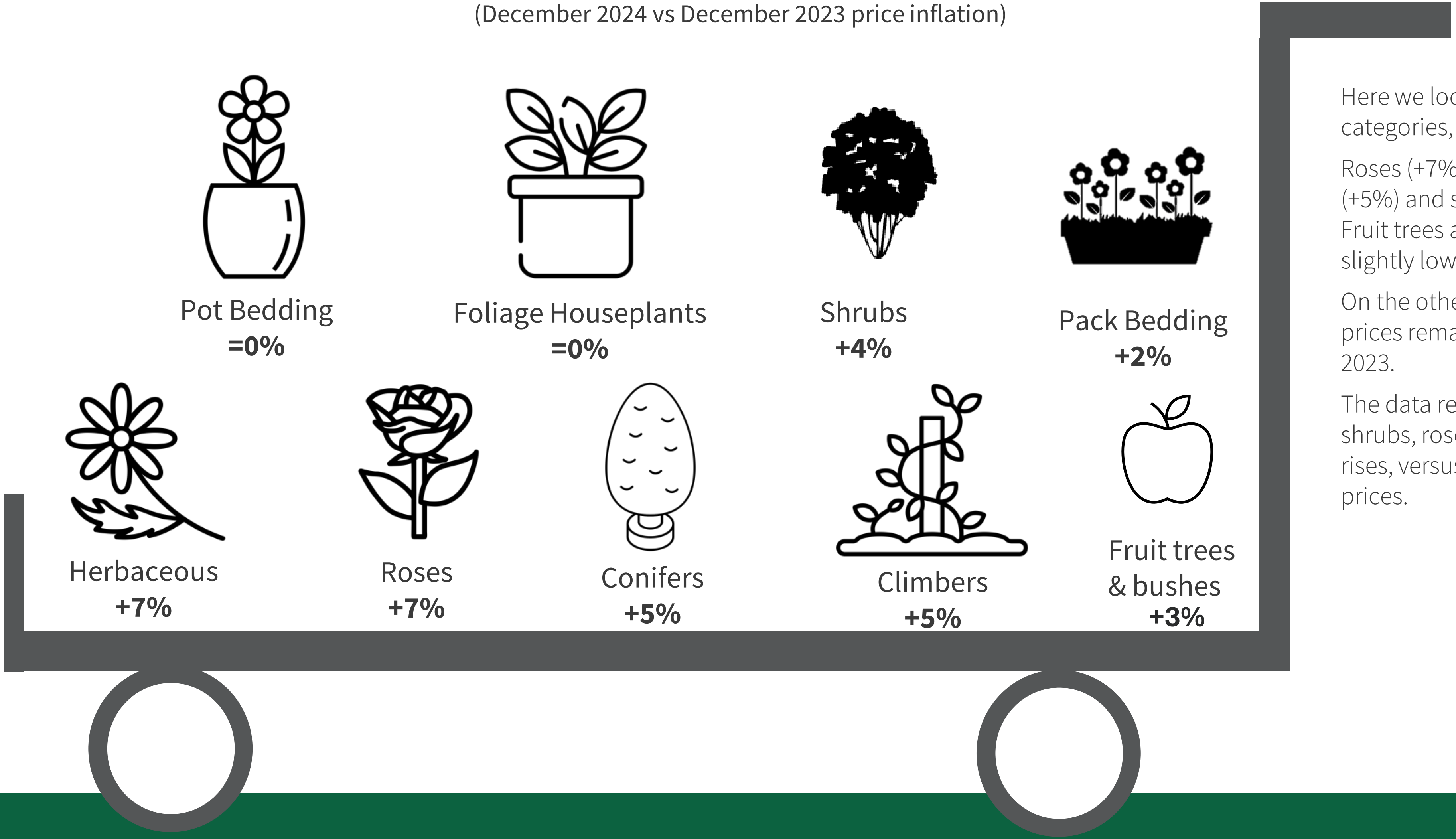
Hardy plants, shrubs, and trees experienced moderate inflation (+4%) while flowering houseplant prices increased by 2%. Several categories including Wild bird care, Growing Media and Plastic pots had prices on par with December 2023.

Prices for Hot drinks continued their higher inflation trend by rising +4% in December 2024.

Source: HTA Garden Retail Monitor

Retail inflation on plants

(December 2024 vs December 2023 price inflation)



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

Roses (+7%), herbaceous (+7%), climbers (+5%), conifers (+5%) and shrubs (+4%), were all above the CPIH rate of 3.5%. Fruit trees and bushes (+3%) and pack bedding (+2%) had a slightly lower level of inflation.

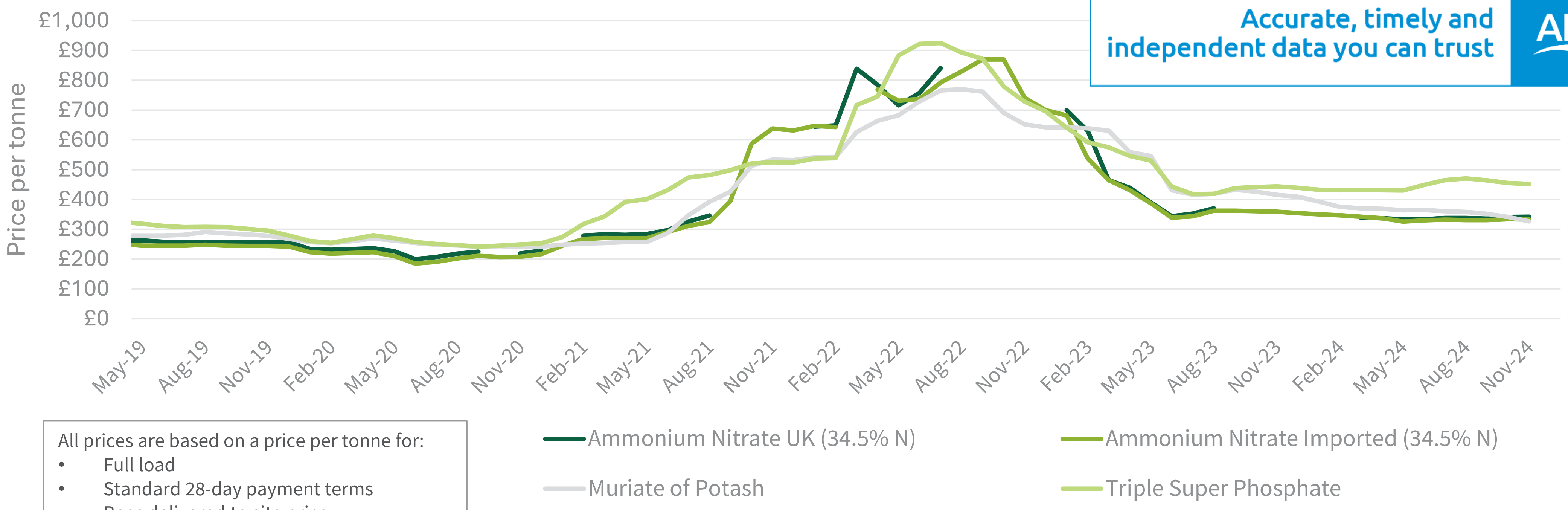
On the other hand, pot bedding and foliage houseplant prices remained at the same average level as in December 2023.

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

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.

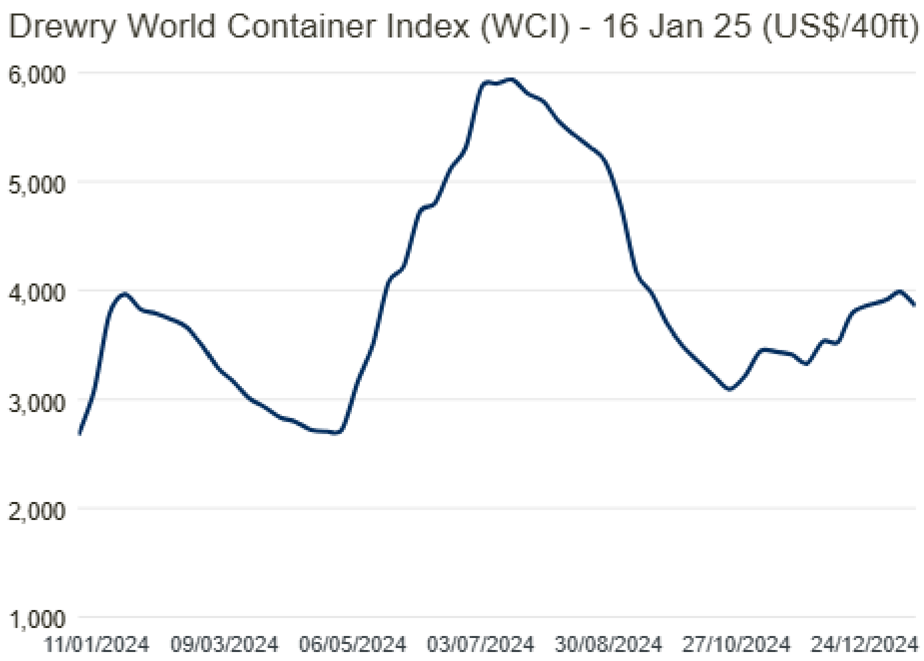


All prices are based on a price per tonne for:

- 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 $3,855 for a 40ft container as of 16th January 2025, representing a significant drop (-63%) since the pandemic peaks of c. $10,000 in 2021. Prices remain more than $1,000 higher than the 10-year average however, which remains a pressure on profit margins.



$3,855

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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