

concession

NEWS

UPDATE



CONCESSIONS HELPING TO WEATHERPROOF A GARDEN CENTRE



Following a disappointing gardening season which has seen the weather affect garden centre sales, the majority of big name concession operators currently trading from garden centres have experienced a more favourable time which has seen the market grow with a number of new openings in the first half of 2012. Despite the tough economic climate these openings are resulting in increased investment into the sector as retailers continue to look outside the high street and seek space in garden centres.

Brands such as Pets Corner, Edinburgh Woollen Mill, The Works, Mountain Warehouse, Shuropody, Roman Originals and Cotton Traders have opened new stores this year and as their products are less reliant on the weather, they are reporting resilient sales in their garden centre locations. The benefits to garden centres are that these retailers create a constant flow of footfall to their sites throughout the year, and also provide the rents that form the basis of a modern garden centres cash flow.

Retailers that trade within garden centres have access to an excellent, high spending; customer profile and they work in partnership with owners to build a day out retail experience.

The typical internal garden centre concession requires 750sqft – 4000sqft depending on the category, with clothing, pets, aquatics and camping still proving to be the most sought after for site owners and customers. Internal space within garden centres offer the potential for a higher return and allocating this space for a guaranteed return enables garden centres to be able to manage their forecasted returns and stock holding more efficiently as they financially plan for the year ahead.

The growth of unmanned concessions enables garden centres to introduce new lines from leading, complementary suppliers in a more cost effective way with no initial outlay to purchase the stock, as the garden centre retains a commission when the item is sold via the site tills.

Keith McIntyre, First Franchise Managing Director said *“Traditionally concessions have been a means to complement the existing garden centre offer, however, we are now experiencing a change which incorporates concessions into the financial model of the garden centres as well as an integral piece of their retail offer. Despite the recent bad weather we*

are still looking for space in suitable garden centres and have a range of operators to suit with Pets, Camping, Clothing and Aquatics still proving to be the most popular.”

Concession News is published by First Franchise Limited and Promotional Space Limited.

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