

concession

NEWS

UPDATE



GARDEN CENTRES AND CONCESSION THE PERFECT PARTNERSHIP



In this week's edition of Concession News, we explore how independent garden centre owners are working in partnership with their onsite Concession tenants, to create the perfect British day out for their customers.

The development of garden centres in recent times has reflected the change in the British retail landscape, as traditional trading formats have been challenged. No longer the typical 'Plant Nursery' operation, garden centres have grown to become a day out destination for all the family.

The growth in Horticulture accelerated in the early 2000's with the rise of, what the HTA refer to as, the 'Ground Force generation,' which meant that garden centres grew rapidly and invested heavily into the development of their sites.

Creating this experience, centred around the core 'horticulture' offer, meant that the sites became extremely busy during the 'peak months.' Spring, autumn and the Christmas period flourished, whilst interest waned at other times of the year.

This however, put a lot of pressure on the success of the peak periods and when unseasonal weather took its toll on the spring trading period, garden centres found themselves struggling to catch up.

When bad weather started to effect the main gardening season, garden centres needed to introduce new ranges to diversify their offer in order to compete with high streets and other out of town destinations.

The development of the catering departments kicked this change off. They grew from small tea rooms/cafe's into full scale, restaurants and inviting coffee shops, enabling garden centres to create a truly unique, retail destination.

Richard Lewis, Business Development and Marketing Manager of First Franchise added "*As garden centres grew from their original 'Retail Nursery' roots, they found that a previously seasonal business had transformed in to a year round retail destination. As a result, through careful development of elements such as the catering and other ranges, garden centres were*

able to support the horticultural elements which still remain crucial to the uniqueness that Garden Centres provide.”

CONCESSIONS MAKING THE DIFFERENCE

Concessions have in turn supported this progression. They create year round attractions, income and footfall, as the complementary ranges they install are not weather dependent. Pets, Aquatics, Clothing, Footwear, Camping, Restaurants, Food, Butchers and Crafts actually perform better in bad weather! In addition, Conservatories, Hot Tubs, Bedroom and Kitchens and even Hairdressers have all proved they can add consistent footfall and new ideas to the garden centre experience, without affecting the sales of the host.



These additional ranges have transformed the scope that garden centres can now provide and the right concession offer is tailored to the local customer base.

In the same way that garden centre run departments are developed to suit the local customers buying habits, the concession tenants should be picked based on what the site owner believes would complement the demand.

This bespoke approach enables garden centre owners to ensure that they can get the most benefit from their tenants, by working closely with them.

Simon Edwards, Operations Director at Golden Acres Garden Centres notes *“Concessions help the business when customers are making their choice of where to go on a day out. The importance of our restaurant and horticulture offer requires our constant attention. Therefore we need good tenants as customers do not differentiate these businesses from their overall experience.”*

Richard Lewis continued *“Concessions have added to the diverse retail offer we see in modern garden centres but site owners who work with their tenants and publicise them in the right way get the best results.”*

Making people aware of the concession tenants in situ and the services they provide, is as important as raising awareness of garden centre promotions and events.

THE REASONS WHY CONCESSIONS MAKE A DIFFERENCE



Garden Centre owners should ensure that the lines of communication with tenants are open to enable them to work with their tenants effectively and in a number of

different ways, including cross marketing and cross promotions.

Working with national retailers offers garden centre owners access to customer loyalty databases which have been collated in advance of and during their tenure within their host sites. Retailers use these loyalty databases to inform customers that they are planning to open within the garden centre and keep them updated of promotions and events that are taking place throughout the year.

Garden centres can work with the onsite teams to find out in advance of these promotions and use their own customer databases or instore signage to raise the footfall.

In addition to these marketing initiatives that derive instant results through increased sales and footfall, garden centres view concessions as integral to their long term plans, thanks to the financial stability that they can provide the balance sheet.

The long term, year round income that concessions offer enable garden centres to plan accordingly, with guaranteed, regular income available, in any weather. Site owners can also develop their sites by underpinning larger scale investments to the premise by securing tenants in advance of the proposed works.

Graham Pugh, Owner of Pughs Garden Centre in Cardiff, and one of the first independent garden centre owners to embrace concessions as part of his long term, business strategy adds *“Our concession tenants are very important to us and have been central to our development. We have erected purpose built units for our tenants which are funded by the rents. We work closely with them to make sure our customers know who is on site and what they can find when they visit. Working with the tenants enables not just a regular rent roll; it also helps sales in the restaurant and garden centre, in addition to providing something a bit different to the usual shopping, day out.”*

Richard Lewis also adds *“There is much more to these on site operations than a purely ‘Landlord and Tenant’ arrangement. Working together is an integral part of making these relationships work. Concessions add new footfall to the garden centre, but in order to capitalise on these new customers, garden centres need to embrace working with their concessions on marketing initiatives, signage and integrating the staff.”*

For more information about concessions, or to speak to someone at the First Franchise team about new ideas and initiatives, Contact Us now – 01737 735041, richard.lewis@firstfranchise.com