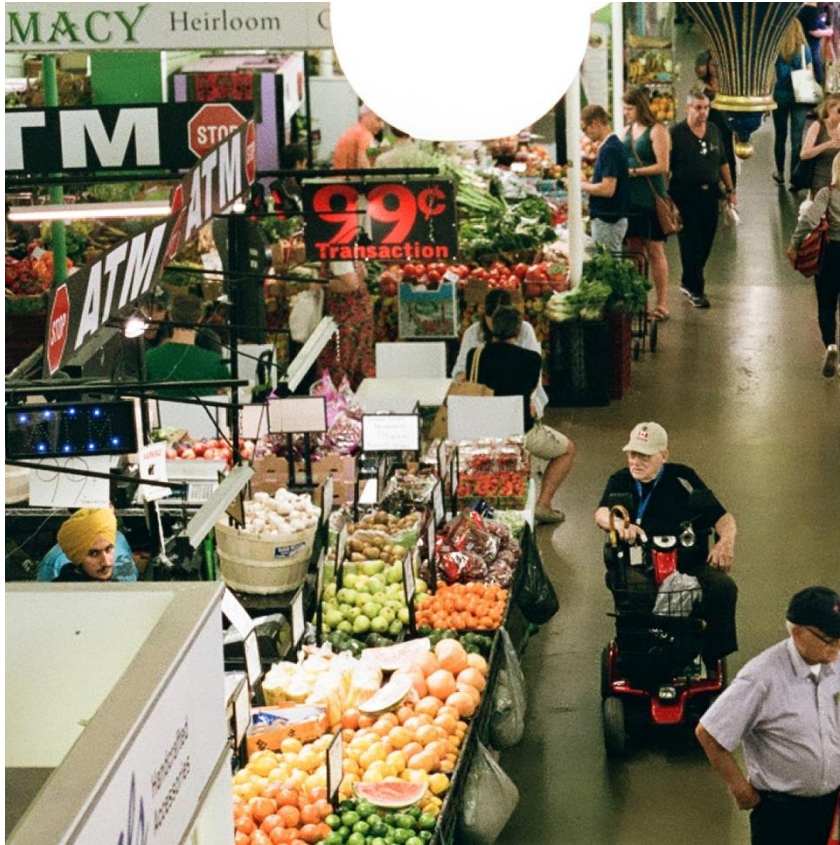




EVERETT DEJONG – PRESIDENT

The Best Way to Grow Garden Sales in Grocery is...





HISTORY OF GARDEN IN RETAIL

Bringing the FARM to the CITY

The Market in the Town Square

- Public markets have been popular around the world since the dawn of civilization

Public Market in North America

- In North America, the first known public market was the Lancaster Central Market which opened up in 1730 in Lancaster, Pennsylvania

The Self-Serve Grocery Store

- The first “modern” grocery store, began in 1915 on the corner of 95th and Broadway and it's main categories of product sales were meat, fruit, produce, and **flowers**



WHAT'S OLD IS NEW

The New Public Square / Market

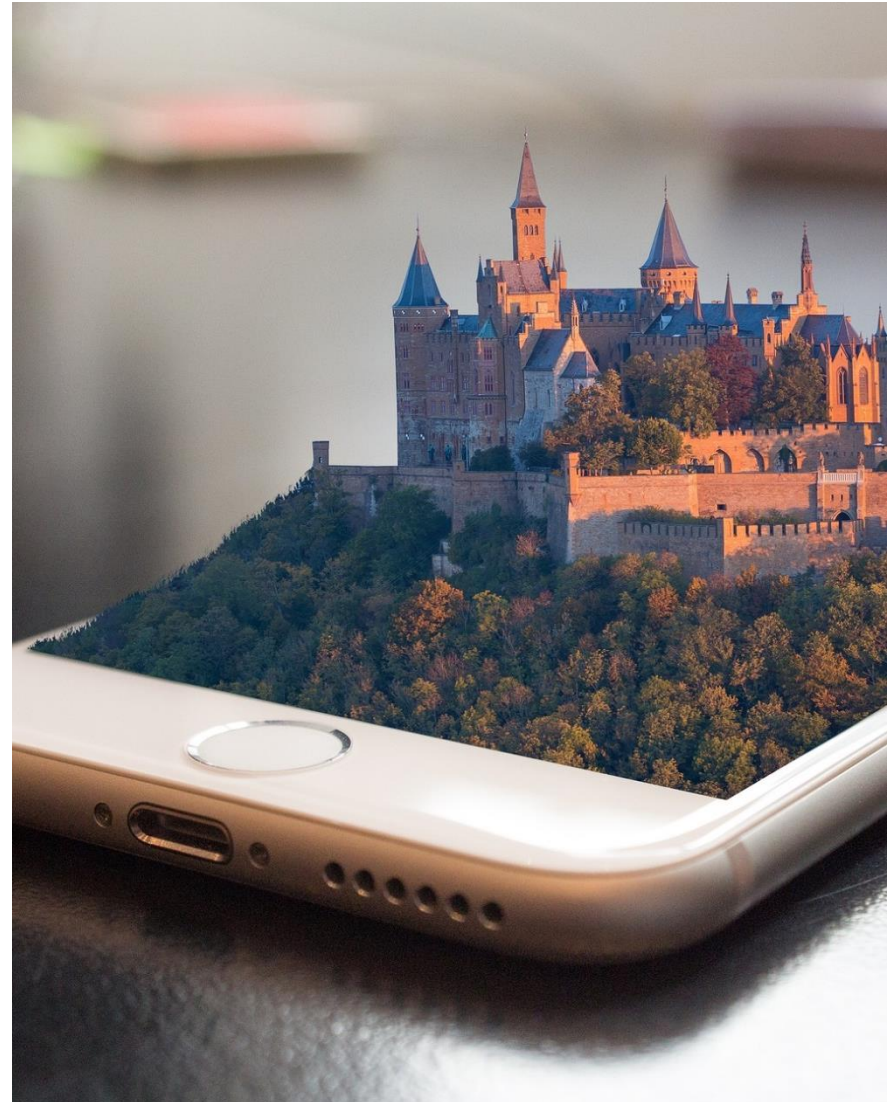
- Social Media now connects the world in a different way

A Grocery Store to Market Revolution

- E-Commerce is changing the retail environment much like the grocery store revolutionized the farmers market

Curbside Produce Markets

- Neighbourhood Green Carts are now starting to hit New York City



TRENDS IN GENERAL RETAIL

Technology is changing behaviour

- Consumers are becoming experts by being able to discover and share their preferences and ideas on their mobile devices

Co-shopping

- The task of shopping is being divided among various family members.
- Already, for the first time ever, men are outspending women by 13%

Green Grocers

- More non-traditional retail outlets are carrying live plant material





TRENDS IN GARDEN RETAIL

Digital Growth

- Consumers are becoming experts by being able to discover and share their floral and gardening experiences, preferences and decor ideas on their mobile devices

Millennials

- Millennials are environmentally conscious shoppers, wishing to celebrate their personalities and express their moods using unique colours, patterns, and designs

Do it Yourself

- The DIY culture is on the rise primarily due to the overall usage of digital technologies





EARTH TO TABLE

Common Grocery and Garden Theme

Rural to Urban

- The urban farming trend is on the rise in all cities in Canada
- Both in the grocery and gardening world, we see a desire to return to our roots

Farm to Home

- Grocery and garden products come from the same soil

Environmentally conscious

- Organic awareness and an understanding of environmental issues such as soil conservation is on the rise



HEALTH AND WELL BEING

Common Grocery and Garden Theme

Benefits of Plants to Humans

- Plants lower blood pressure, reduce muscle tension related to stress, and improve attention span

Currently central to Canadian consumption patterns

- They want to know what's in the bag

Side Note: Plants increase retail activity

- Studies have proven that greenery and flowers attract shoppers spurring economic growth



OPPORTUNITIES

One-Stop Shop

- Floral and garden fits the “Farm to Table” grocery brand

More Ready to Go Items

- Hanging baskets, dish gardens, urn planters all give instant gratification – no maintenance and no instructions
- Home décor includes garden decoration

E-Commerce

- If you can shop groceries online, why not garden/floral products





CHALLENGES

Pace of change

- Technology
- Globalization
- Demographic Shifts

Floral and Garden is a discretionary income item

- Competes with other entertainment and decorating items

Rising costs

- Lack of qualified store-level talent is a major threat

Space Allocation

- Dollars per Sq. Ft. is at a premium



RECOMMENDATION:

Best Way to Grow Garden Sales in Grocery is...

People Power

- Full-service stores had double digit increase in floral/garden sales between 2003-2015 because they transitioned to dedicated staff overseeing the department - 2016 PMA/FMI report called Trends in Mass-Market Floral





STAFF TRAINING

Effective customer service skills

- Learning how to sell by listening to the customers needs and market trends
- An understanding of all seasonal / holiday items is critical
- Relationship building is a must in terms of increased sales

Plant knowledge and care requirements

- Plants are perishable and need respect and care much like produce
- Knowledgeable staff are in high demand by employer and customer alike

