Gardening in Europe: Emerging Markets and Future Prospects

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OVERVIEW

PUTTING GARDENING INTO CONTEXT

HISTORIC PERFORMANCE

PROSPECTS
Horticulture and Gardening Equipment account for three-quarters of the European market.
Eastern Europe shows still unexploited potential

Gardening: putting Western and Eastern Europe into context, 2016
USD million constant value terms

Western Europe accounts for **94%** of the total European gardening market in value terms

In Eastern Europe each person spent on average **USD7.00** on gardening products, versus **USD62.00** in Western Europe 2016.
Western Europe records sluggish growth, driven by equipment

Western Europe: Breakdown by Countries, 2016
USD million constant value terms

- Germany
- France
- UK
- Italy
- Spain
- Netherlands
- Sweden
- Switzerland
- Turkey

Retail Value RSP (USD million) 2016
Small markets help gardening in Eastern Europe to grow

**Eastern Europe: Breakdown by Countries, 2016**
USD million constant value terms
Russia’s difficult economic condition negatively affects Eastern Europe

Europe: Value Growth Rate, 2016
Growth % constant value terms

Western Europe
+0.9%

Eastern Europe
-4.6%
OVERVIEW

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PROSPECTS
Slow economic recovery along with bad weather conditions adversely impacted the market.

Western Europe: Historic Growth by Country, 2011-2016
Historic CAGR % constant value terms
Nordic countries buck the trend in recent years

Nordic Countries: Historic Growth by Country, 2011-2016
Historic CAGR % constant value terms

- Denmark: 2.8%
- Sweden: 2.6%
- Norway: 2.1%
- Finland: 0.6%
Swedes see gardening as a pleasure not a burden

Historic CAGR % constant value terms

- **LAWN MOWERS**
  - +9%

- **ROBOTIC LAWN MOWERS**
  - +42%
Discounters try to bring gardening items closer to consumers

Gardening in Western Europe: Distribution by Channel, 2011-2016
Retail % value share

- Germany
- France
- UK
- Italy
- Spain
- Netherlands
- Sweden
- Switzerland
- Turkey

- Home Improvement and Gardening Stores
- Grocery Retailers
- Homewares and Home Furnishing Stores
- Mixed Retailers
- Others
- Internet Retailing
Romanians are now buying houses instead of renting

Historic CAGR % constant value terms
Home improvement and gardening stores keep consolidating gardening sales

Gardening in Eastern Europe: Retail Distribution by Channel, 2011-2016
Retail % value share
OVERVIEW

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HISTORIC PERFORMANCE

PROSPECTS
Lifestyle trends and smart solutions will help sustain value sales

Western Europe: Forecast Value Growth by Country, 2016-2021
Forecast CAGR % constant value terms
Nordic countries will grow the most in Western Europe

Nordic Countries Forecast Value Growth by Country, 2016-2021
Forecast CAGR % constant value terms

- Finland: 2.9%
- Norway: 2.9%
- Denmark: 2.7%
- Sweden: 1.2%
Nordic countries are developing a passion for gardening

Nordic Countries Forecast Value Growth by Country, 2016-2021
Forecast CAGR % constant value terms

- Recent phenomenon
- Live outdoors as much as possible
- Interest in growing own food
Increasing average income of house owners will be the main contributor to growth

Eastern Europe: Forecast Value Growth by Country, 2016-2021
Forecast CAGR % constant value terms

- Romania
- Poland
- Ukraine
- Russia
Poles and Romanians are moving from apartments to houses

Romania
- Expansion of specialised chained retailers
- Consumers going towards branded products
- Focus on modern equipment

Poland
- Indoor gardening
- Greater awareness of sustainability and local products, which impacts how people perceive plants and growing them
Interest in growing own vegetables will increase in Nordic Countries

Europe: Forecast Value Growth by Country, 2016-2021
Forecast CAGR % constant value terms

- Romania: 4.6%
- Finland: 2.9%
- Norway: 2.9%
- Denmark: 2.7%
- Spain: 2.2%
- Russia: -2.0%
Western and Eastern Europe will be affected by the same trends

- Ageing population
- More people involved in gardening
- Education
- Climate change
- Longer growing season

IN STORE

Involvement
Thank you

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