

How Clear is Your Crystal Ball for 2021?

Garden centers' success in 2021 will depend on positive messaging to consumers.



By Stan Pohmer

Spring 2020 could have been a total disaster for locally owned garden centers; all the external forces were lined up against us — and then what worked against almost every other independent retailer saved the day for us.

The sudden onset of COVID-19 created what could have been insurmountable barriers and challenges, ranging from business shutdowns, rapid and vapid unemployment, new rules and regulations that limited any semblance of business as usual, and, most importantly, fear and uncertainty.

However, working in our favor, the consumer, especially those who had never been involved with our products, had plenty of time on their hands and very little they could find to occupy it. And many consumers maintained some cash flow with state and federal unemployment benefits. In addition, many lenders, including banks and credit card companies, worked with consumers on extending payment dates and mortgage forbearance, though this only delayed the inevitable payments due.

Add to the positives the fact that many governmental agencies viewed independent garden centers and our products as essential and we sold in outside areas, allowing us to open (though with significant capacity and social distancing restrictions). Yes, we had to get creative in our operations and in how we conducted business, but the good news was that the consumer determined that our products filled their lockdown/stay-at-home needs and, just maybe, they started to understand what we've known all along — that our products not only enhance homes and lifestyles, but benefit quality of life, especially in times of stress.

A Murky Future

As I write this in July, the pandemic is still not under control, with increasing numbers of persons infected in most states; as a result, many governors and county/city officials are re-establishing more restrictive movement and social contact rules, forcing some businesses to limit operations or simply not open again. As the virus continues to spread, we can surmise that state and federal governments will issue additional stimulus checks and extend some form of enhanced unemployment benefits, as well as other financial support measures for people and businesses.

Right now, under perfect conditions, it looks like the earliest a vaccine could be available is in the first quarter of 2021, and then it will take some time to vaccinate all 330+ million Americans and develop immunities to the virus that will allow things to return to some semblance of normality.

Officially or unofficially, the U.S. (and world) economy is in recession, and until we can get people back to work, the length of recovery is an unknown.

A few of the major issues affecting economic recovery with the virus not under control:

The lack of childcare availability will hinder workers, especially women, from returning to their jobs.

If schools don't reopen full-time for face-to-face classes and are split in-school/online or completely online, parents won't be able to leave the kids home alone. And, unless the parents can work from home, many parents will not be able to return to the workforce.

Shopping and Surviving

As many of you have done, I have changed my shopping behaviors, availing myself of the convenience and safety of online and BOPI (buy on-line, pick up in store) shopping. It's not that I don't want to get out of the house to shop (I actually enjoy shopping), I just want to

limit my exposure to other people who are taking a cavalier approach to the coronavirus that places me and others at risk of exposure (and for the record, yes, I am a mask-wearing, social-distancing, hand-sanitizing advocate!). If there's a safer alternative to where and how I shop, I'll take it, and there are many others with this same attitude.

Because of the recession, the yet to be controlled virus, and a prognosis for continued high unemployment, business solvency becomes a critical issue. We've already seen major retailers enter Chapter 11 bankruptcy proceedings, and it's estimated that 50% of restaurants and a third of other small businesses will not survive these medical, social and economic crises.

The major challenge we face in planning for 2021 is the fact that we are all struggling with the uncertainty of COVID-19 and the lack of control we feel. There are just too many interacting moving pieces that are in flux — the pandemic, operational constraints and limitations, the recession, employment, government financial supports, open/remote schooling, childcare, etc. — that create so many permutations that it's almost impossible to define any future path with any confidence.

That said, the consumer responded positively to our products and our industry in 2020, and locally owned garden centers were agile enough to keep pace with all the restrictions and limitations imposed upon us to address the pandemic. While 2020 wasn't exactly what we planned for, it was far better than what we expected, and we survived while many other small businesses did not.

Staying Essential

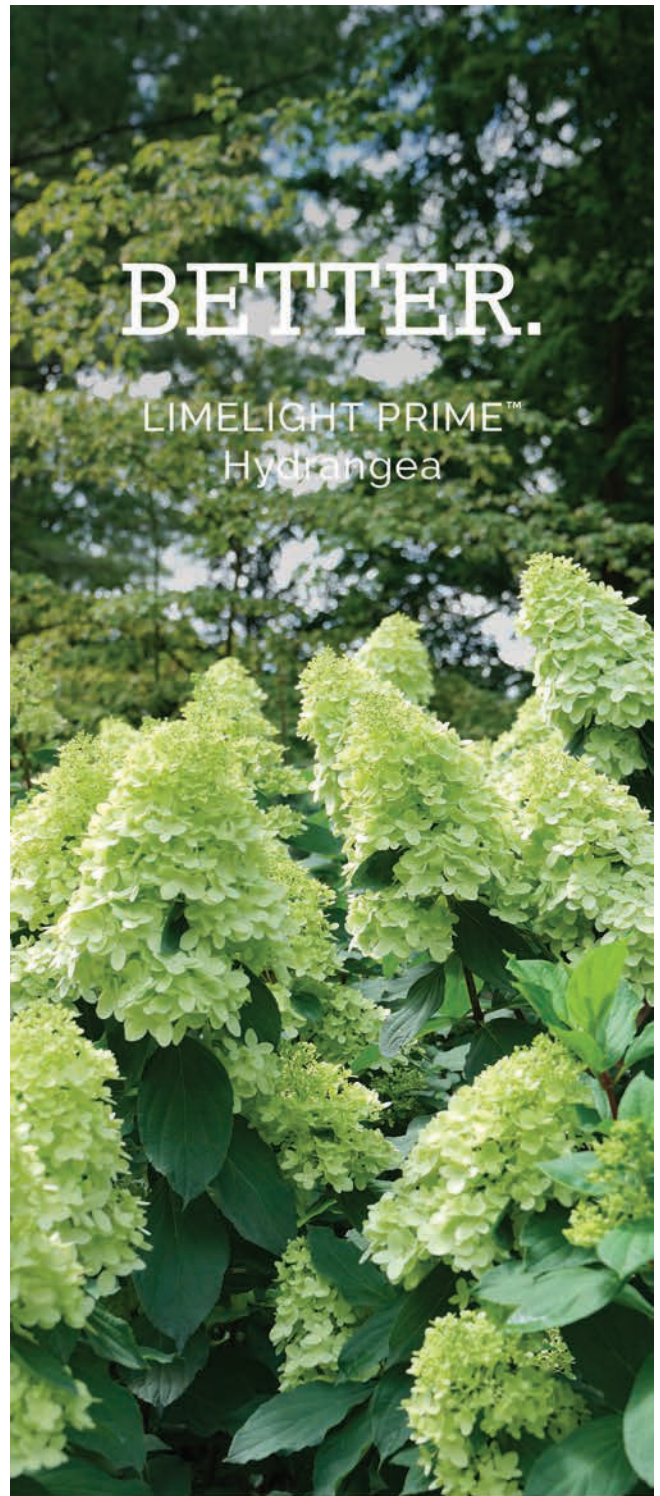
The consumer will continue to be challenged in 2021, and, in my opinion, the key path to earning their spending and loyalty is in the way we, as individual garden centers and as an industry, position our products and businesses in our communications and marketing. We must convince the consumer that our products are indeed essential in their lives, that we can help enhance their quality of life, reduce stress, help ground them in nature and take their minds off of the fear and trepidation of the world around them, and provide a positive outlet for their energies.

In 2020, our success was driven by the changed perception of the positive benefits of our products, and our success in 2021 will be even more dependent on these positive messages to the consumer than ever before.

We know we've got the products and the ability to be creative, innovative, and trusted that the consumer wants and can relate to. And we know that we have the right marketing message that can truly help consumers through these tough times. Our opportunity lies in executing and effectively delivering our very compelling message in 2021.

You have the tools for success in 2021. My crystal ball is showing a lot of potential for our industry in 2021! 🌈

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