

Garden centre annual catering sales exceed £200m says trade body as department is ranked highest for many outlets

20 August 2014, by Matthew Appleby, [Be the first to comment](#)

Half of garden centres offer a cafe or restaurant and they account for almost a fifth of turnover.



Perrywood Garden Centre: coffee shop now extended to 240 covers

Garden centre catering sales have risen by more than 50 per cent over the past six years, with catering now ranking as the biggest department for many retailers.

In 2007-08, 40 per cent of garden centres provided catering and the annual spend in restaurants and cafes was about £130m, according to the HTA.

By 2014, on average between 15 and 20 per cent of garden centres' annual turnover came from catering. More than 50 per cent of centres provide catering and the annual turnover in their cafes and restaurants is £200m.

On average, catering now accounts for 18.6 per cent of Garden Centre Association members' sales. Turnover was up 7.1 per cent in July and 4.4 per cent year to date. In 2013, catering rose 4.3 per cent, compared with an overall garden centre sales rise of 3.7 per cent. Catering was eight per cent up in 2012 on 2011, while overall sales fell.

Ken Cox, a director at Garden Retail Award-winner Glendoick, said despite the rise in sales many garden centres are not profitable on catering. "All of the larger garden centres provide catering, so I would say 70-80 per cent of the market will have catering - maybe 90 per cent. I don't think many centres without it will survive. People are buying plants only from March-June these days."

Perrywood Garden Centre owner Alan Bourne said: "We started 15 years ago with 70 covers. Then it was 100, 160 and now 240 with the latest extension. We said we would never have a cafe, but we now know it is key to the whole business. We felt that we were good enough with our plants not to have one. But with customer comments we realised it was necessary and it is now 16 per cent of our business. From 1.30-2.30pm, our tills are swamped once people have had their meal."

Consultant Neville Stein said: "Catering is a significant revenue stream for garden centres. Many report that more than 20 per cent of their sales come from the cafe/restaurant. So it is important to measure the numbers.

"Implementing key performance indicators such as gross profit, wages to sales, sales per cover, average spend and wastage is key if the catering offer is to be profitable - and profitability must be driven harder as catering accounts for such a large slice of turnover.

"It also means that garden centre owners, who traditionally see themselves as horticulturists, might have to learn more about catering so that they can measure and monitor the performance of any catering professionals that they employ.

"It costs a lot to set up a garden centre cafe, yet they seem to be fully utilised only between 11am and 3pm. So there is a good opportunity to extend sales outside that period and perhaps even consider evening opening if planning permission allows or it is easy to do so without keeping the rest of the centre open."

Glee Catering zone

The catering zone at Glee (NEC Birmingham, 14-16 September) will feature speeches on seasonal events and marketing strategies to attract customers year round, how garden centres can win the coffee shop "wars", attracting younger customers, supply chain efficiency and more. Speakers will include the Garden Centre Association and Merryhatton Garden Centre owner Helen MacDonald.