

The power of local

Honda cars is currently advertising in the national press, exhorting UK consumers to buy local. While we may not think of Honda being a British brand, the ads list the full range of Honda vehicles built at Swindon and the copy directly highlights that even if you don't work for the company or in the city, the chances are that supporting the jobs Honda has created there will, however far removed, support your job and your family.

This is clearly not jingoism nor patriotism per se, but is a deeper appeal to our self interests and an example of how consumer marketers are harnessing the power of local to draw attention to their brands, products and services.

The appeal of locally sourced goods and services has come to the fore as consumers have responded to the recession of 2008/09 and remains a powerful force as we enter the 'tens'. This appeal is closely linked to the 'Authentisearching' and 'Cult of the home' trends which are tracked by the Future Foundation, one of the HTA's research partners.

This edition of GIM Insight looks at how these related trends impact on garden owners and the market for garden goods and services in the UK.



The Future Foundation research shows how the trend to local has strengthened over time. In 2009, 74% of the population agreed that every effort should be made to prevent the disappearance of regional and local differences, compared with just 70% in 2001. As can be seen from the chart below, the importance of local is particularly felt by women and those in 45-64 age groups - core garden centre customers - and helps us understand why we have seen such strong growth in food halls and farmers' markets in recent years. Locally produced food plays an important part in the mix with 50% of the

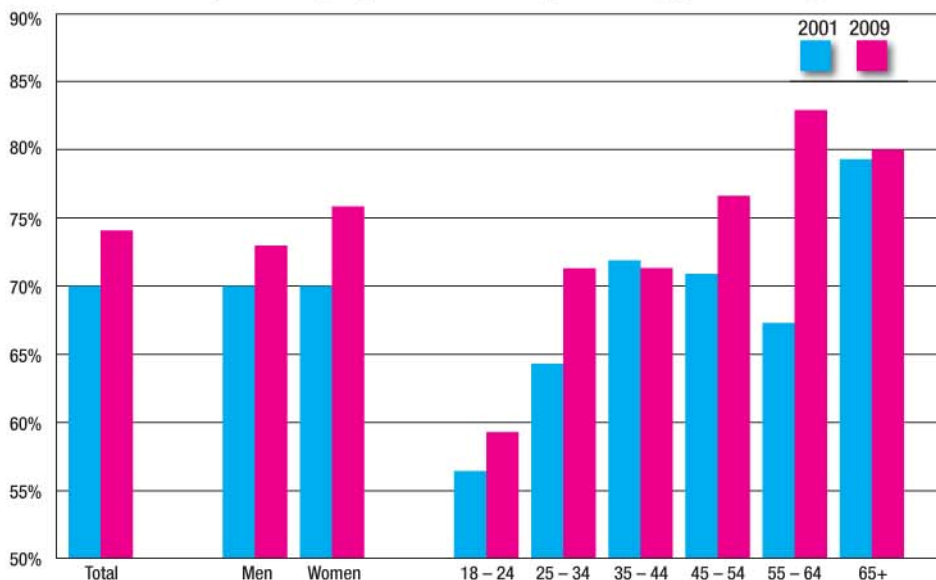
British population saying that they have bought this in the last 12 months, a proportion that rises to 62% amongst 55-64 year olds.

Consumers increasingly enjoy products and experiences that have clear links to a place, time or culture, that are produced in a traditional way and that have a genuine story behind them. Honda is consciously linking its brand to Swindon while Green & Blacks chocolate alludes to the Mayan culture of Belize and the West Cornwall Pasty Company - now a feature of so many British high streets - claims that all its pasties "are handmade in Cornwall using traditional ingredients". It is now common practice for supermarkets to include the names and photos of farmers on packaging and point of sale materials with obvious opportunities for nurserymen and plant retailers to emulate this in the plantarea.

Buying local, already an established consumption impulse due to growing concern for the environment and our interest in local provenance, has thrived through the latest recession and some of the main supermarket brands are reporting that in certain cases local products are outselling more established national brands in their stores.

The notion of British-ness is experiencing a resurgence. The economic gloom appears to have triggered both a greater suspicion towards the globalisation process and a surge in support for British products and services.

Importance of regional and local differences by gender and age



Source: Future Foundation/nVision Research

Consumers believe that by prioritising products and services that are clearly marked as British they are helping support their fellow countrymen's jobs, celebrating their national heritage and traditions and also protecting the natural environment. Additionally, local and British goods are increasingly perceived as offering high quality and, in the case of food, freshness and enhanced taste.

It is tempting to translate the growth in demand for local food as being equally important for British or local nursery stock but the parallels are not exact; the consumer appears to recognise a difference between the food we put in our mouths and the plants we put in our gardens. In much the same way as 'organic' has increasingly become just another consumer choice in the

supermarket rather than a premium product, so consumers appear reluctant to pay a premium for British or locally-produced plants.

There is evidence that some consumers believe locally grown plants, with fewer 'plant miles' between nursery and retailer, should be cheaper than imported alternatives.

Previous research for the HTA has shown that the appearance of plants (in terms of apparent health and vigour) is by far the most important motivation to lift them from the plant bench and into the trolley. But presented with two similar looking plants at similar price points, the authenticity-seeking consumer is more likely to select the option proudly displaying the Union Jack - or Saltire, county flag or other mark showing the provenance.

Another effect of the downturn has been that a nostalgia for a simpler and more traditional time, 'honest to goodness' pleasures and aspirations to go back to basics are now associated with the authenticity-seeking trend as consumers reject the perceived excessive materialism and greed of pre-recessionary times. Activities such as cooking meals from scratch and baking, expressing one's personal creativity through arts and crafts and, of course,

'Grow Your Own' are back in fashion. Recent research from the Future Foundation shows that 36% of consumers - and 41% of family stage consumers - either are or are planning to grow their own vegetables.

72% socialise with friends or relatives at home at least once a month



58% have used their garden for socialising with friends and family in the last year



36% grow/are planning to grow their own vegetables



Source: Future Foundation/nVision Research

As can be seen from the examples above, provenance can be used as a powerful differentiator of brand and this works as well for retail brands as for products. The decision to drop the 'Wyevale' name and focus on the local town or place name for the majority of The Garden Centre Group's outlets is a highly visible and very close to home example of a larger business harnessing the power of local. Retaining well established local names, often derived from nurseries such as at Bridgemere, is another important element of that strategy.

The Future Foundation's research on brands and loyalty shows a growing sense amongst consumers that most companies aren't fair to customers. This view was held by around 15% of consumers in 1980, had doubled to around 30% in 2000 and had reached 40% by 2008. Building a reputation for fairness and generating loyalty is hugely difficult for a national or international brand and an area where a smaller business, trading on its reputation within a smaller territory, has a distinct edge. It doesn't matter if a local garden centre brand doesn't register when measured against Wal-Mart or Tesco in national surveys; it's being recognised within the local community that counts.

With prospects for only weak growth in the UK economy this year, the 'authenticity' and 'cult of the home' trends are expected to continue to exert a significant influence on consumers' thinking, time use and purchasing decisions for the foreseeable future. Playing to local heritage, branding, trust and loyalty is a strategy that can work for businesses of all sizes and across the supply chain.

Building on this information

Retailers

- Collect postcode information from your customers to help build a picture of the footprint of your business. The HTA Retail Map service can help you build a detailed profile of your customers and find more like them in your locality.
- Talk to customers or use surveys to find out why customers favour your particular businesses and ensure you use these points in your local advertising and marketing.
- Use events to promote interest within your local community and drive footfall to your business. Talks and demonstrations are a regular feature for many garden retail businesses but craft fairs, wine tastings and book launches also offer possibilities. Hosting regular farmers' markets is proving successful for some garden retailers where space from an adjoining field or under utilised car parking is available.
- Work with local nurseries to provide seasonal interest in your plant area highlighting the provenance and personalities behind each promotion. Tell the stories behind the merchandise. Plant of the Month POS is available free of charge to HTA members.
- Take advantage of national promotions and give them a local 'flavour'. The HTA's PlantforLife campaign is promoting community 'crop swaps' this spring; watch out for further details on the HTA website. Following its launch last year, The Big Lunch returns on Sunday 18 July with opportunities to support local events or host one at your centre.

Growers/suppliers

- Work with your retail customers on the above! Help retailers tell the story behind your products and suggest companion/alternative varieties and link sales opportunities for Plant of the Month and similar promotions.

Landscapers

- The principles of local marketing, knowing an area and being recognised in that area apply equally to landscaping.

The HTA

- Will continue to highlight opportunities using market insights and intelligence collected through its Garden Industry Monitor (GIM) programme.
- Will continue to work with the national, regional and local media to generate consumer interest in gardens and gardening.
- Business Development Managers and Advisers are at your service to help you spot and exploit business opportunities.

The background to the research

The HTA works closely with the Future Foundation a leading consumer insight and strategic business trends think-tank. The Future Foundation combines publicly available data from sources such as the government

Office for National Statistics and its bespoke nVision research survey to track over 30 trends of interest to business planners and marketers in the UK.



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