Inflation, Price Hikes, Top-searched Plants & Pinterest's Small Luxuries

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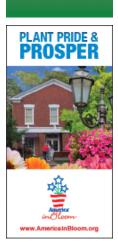




COMING UP THIS WEEK:

Inflation Isn't Dropping Reconsider Price Hikes Self-Care & Self-Improvement Port Strike Averted NetPS's Top Searched Plants Pinterest Trends are Back Three Tips from Philly See You at TPIE!





Inflation Isn't Dropping

The Consumer Price Index rose 0.4% in December and was up 2.9% year over year, according to the Labor Department, the federal agency who keeps track of these matters. This increase was the fastest one-month increase since last February.

Inflation had been coming down at a pretty good clip since its high of more than 9% back in mid-2022. And while it's much lower than that high, the progress downward has slowed substantially and could even be said to be at a standstill.

Prices on goods that matter most to people are rising. Grocery prices are up ... and have you seen the price of eggs recently? They've increased by more than a third over the past year! Gas is up more than 4% in the month of December, too.





So inflation is increasing a bit and the Federal Reserve will likely not lower interest rates any time soon, and possibly not at all this year. What might this mean for you?

- It might mean consumers are forgoing major purchases and will instead make those "lipstick" type purchases. That is, buying more of the small luxuries that give them a little pleasure.
- It'll be more expensive (or rather, not less expensive) for you to borrow money. If you were
 hoping the Fed was going to continue cutting interest rates so you could take out some
 sort of operational improvement loan, you might be waiting longer for that than you
 expected.

What can you do in the meantime? Think about what "small luxuries" you might offer your customers. What ways can you improve the shopping experience without borrowing money?

Retailers with real-time data platforms are 1.4× more agile in challenging markets.





Reconsider Price Hikes

If your answer to the above issue is to raise prices, here's a case for reconsidering. I ran across THIS ARTICLE about the executives of CPG (consumer packaged goods) companies not counting on price hikes to drive revenue in 2025. Yes, I realize you're not in charge of Pepsi or Tide, but you also might be confronting the issue of whether to increase prices this year. After all, price increases could be met with some pushback from inflation-weary customers this year.



What do these CPG companies plan to do to drive growth if they can't raise prices? Top growth-driving strategies will include product innovations such as "premiumization" (that was a new word for me). In other words, they'll create new premium products that would appeal to the folks who do have the money to spend, rather than create "value" products that are cheaper. That's in line with what the great Bill McCurry mentioned in <code>buZZ!</code> sometime last year: don't neglect to offer items to your customers who don't have the same spending restrictions. They have money to spend—give them something to spend it on!

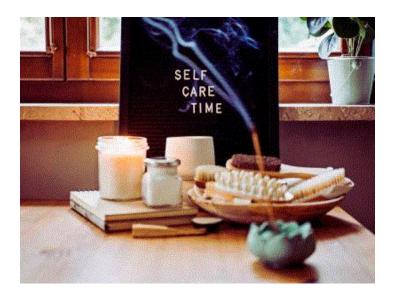
How does "premiumization" sound to you? What strategies do you plan to deploy this spring? Drop me a note about it HERE.



Self-Care and Self-Improvement for Christmas '25

According to data that Shopify shared with the Retail Brew newsletter, holiday shoppers had both the present (i.e. holiday gifts) and the future ("new year, new me") in mind.

The usual holiday items sold well, especially holiday party essentials: cocktail and barware tools (up 89%), beverage chillers (up 134%), and instant film cameras (121%) (also, those make great party gifts!). The report noted that candle-making kits seemed to explode in popularity, increasing 262%!



Sales also show that consumers were gearing up for self-care and self-improvement resolutions. For instance, sales were up for spin bikes (384%), eye pillows (118%), heating pads (67%), massage cushions (60%), yoga mats, planners, calendars and the like. I would even consider coloring books and pads (up 280%) to be self-care as it provides a creative mental break during the day.

As you plan your products for Christmas 2025, think about including non-seasonal self-care items in your assortment—soaps and scents that aren't holiday spiced, for example, or herbal/all -natural skincare products. Soothing teas and even herbal tea-making kits would be in that category, too. For the self-improvement types, why not some botanically themed calendars and day planners?

For those of you heading to the winter markets, what's on your must-order list? Or what have you seen so far? Drop me a note about it HERE.



Port Strike Averted

That International Longshoreman's Association (ILA) strike that's been on hold since last fall and potentially happening this month is *not* going to happen after all. Last week, the ILA and the U.S. Maritime Alliance announced a six-year agreement, the details of which haven't been made public and won't be until the agreement has been ratified.



The deadline to reach an agreement had been January 15, at which time there would have been a work stoppage. Any port disruptions would have caused significant disruptions to East and Gulf Coast ports. From pots and raw ingredients to spare parts and market goods, so much of what goes into making garden retail run is from overseas. A port shutdown would have come at the very worst time. So full steam ahead (or whatever they're using to power their ships nowadays)!



NetPS's Top Searched Plants

In the absence of crystal balls and folks like Nostradamus, one way to predict what might happen in the future is to look at the past. To that end, the folks at Northscaping have recently released the top 100 most searched-for plants on the NetPS Plant Finder Tool during 2024. And I have to say it surprised me to find that most of the top 10 plants are trees and shrubs.

"This year's data indicates a full-circle return to the basics of landscaping and gardening after the pandemic years," explained James Kohut, president of Northscaping and developer of NetPS. "Plants are once again being searched by form, function and their ability to fulfill specific applications. There are not a lot of novelty plants or 'Hot New' introductions from the big marketers on this list; these are almost all well-established varieties."

Topping the 2024 list? The old-favorite, Bloodgood Japanese Maple, a mainstay in urban landscaping. The other four in the top five most-searched-for plants are either functional shrubs or accent trees, and all of which are well-established favorites.



James pointed out that the 2024 Top 100 Plants list reveals a shift away from smaller garden-focused perennials and flowers, and toward problem-solving landscape and garden plants. The list contains 55 trees in the top 100 plants, with most of them being either small front-yard feature trees or columnar shade trees. The list also has more hedge plants than in any previous year.

For plant retailers, James points out that these results reinforce the fact that internet users tend to focus their online research on plants that are longer-lived and/or that are more expensive to purchase.

"Annuals, perennials and houseplants may bring in the bulk of the revenues, but this data indicates that it's the trees and shrubs that are drawing the attention of customers on the internet," said James.

The NetPS Plant Finder Tool has more than 37,000 plants listed in its system and is used by more than 250 nurseries and garden centers across North America. It was searched more than 30 million times in 2024 by landscape designers, contractors, home landscapers and gardeners.

This is what James wants you garden retailers to know: Use this data to understand how gardeners and home landscapers use the internet to do their pre-shopping research on plants and how it differs from their in-store purchasing habits.

"When it comes to their digital profile, the primary focus of plant retailers should be to do whatever it takes to draw internet users into the store and that means catering to whatever they're searching for online. Once they're in the store, then you can entice them with your full range of offerings, including annuals, houseplants and impulse buys. This is exactly what the NetPS Plant Finder tool was designed to do."

But let's get back to that Top 10 list. Here it is:

- 1. Bloodgood Japanese Maple (Acer palmatum Bloodgood)
- 2. Green Giant Arborvitae (Thuja Green Giant)
- 3. Emerald Green Arborvitae (Thuja occidentalis Smaragd)
- 4. Weeping Peashrub (Caragana arborescens Pendula)
- 5. Amur Maple (Acer ginnala)
- 6. Ruby Slippers Hydrangea (Hydrangea quercifolia Ruby Slippers)
- 7. Sester Dwarf Blue Spruce (Picea pungens Sester Dwarf)
- 8. Sunburst Honeylocust (Gleditsia triacanthos Suncole)
- 9. Red Creeping Thyme (Thymus praecox Coccineus)
- 10. Autumn Brilliance Serviceberry—tree form (Amelanchier x grandiflora Autumn Brilliance)

Find the complete Top 100 list the NetPS Plant Finder website HERE.

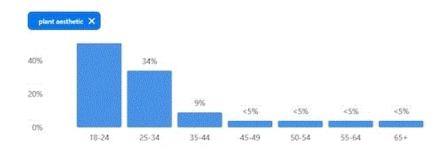
Pinterest Trends Are Back

Your friend and mine Gail Pabst of the National Garden Bureau (NGB) is back with some more insight into what NGB's followers are searching for on the Pinterest platform. And just to remind you, Pinterest is a search engine. Its users are known to be planners, searching for terms in advance of putting whatever they're planning into place. Knowing what folks are searching for now will help you prepare for when they come into your store to make a purchase.

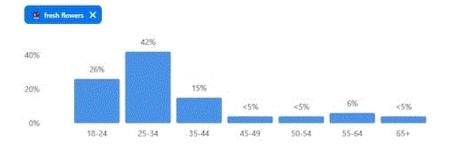


Gail said that searches for the term "Plant Aesthetic" are up 200% over the last month. The images that pop up for this term show lots of houseplants, especially monstera. ("Shameless plug for NGB's Year of the Monstera," Gail wrote).

And here are the age groups searching for "plant aesthetic" on Pinterest:



The search term "Fresh Flowers" increased 300% over the last month, which might be an indication that folks are planning for Valentine's Day. Here's the breakdown of what age groups are searching that term:



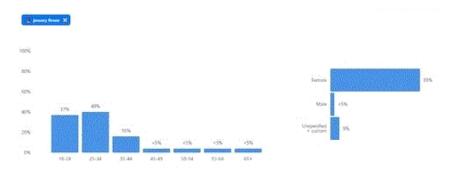
Did you know that there's such a thing as a birth month flower? Neither did I. Anyway, the search

term "January Flower" increased 200% over the last month (totally makes sense).

"I found this trend interesting," Gail wrote. "The popularity of the January Flower suggests that each month's birth flower likely sees increased interest. Garden centers can easily leverage this by highlighting the current month's flower."



Here's what age groups are searching for that January Flower term:



Retailers, use the information as you see fit. There's plenty of good ideas you can generate from this that'll fit into the "small luxuries" strategy I mentioned above.

Three Leadership Tips From Philly

With the convergence of playoff football and the "new year, new me" season, I thought you might appreciate some coaching-related examples of how to relate to and manage your team. This **ARTICLE** looks at three ways that Head Coach Nick Sirianni created a connected culture for the Philadelphia Eagles*.

According to the piece, the coach's leadership philosophy builds a culture of connection where success comes from fostering a sense of belonging and shared purpose. Wouldn't that make a world of difference for your organization? How does Coach Sirianni do it?

- Practicing consistency in positivity and constructive criticism. Positive reinforcement
 helps players feel confident and empowered, which constructive criticism is done with
 care and the intent to help players succeed.
- Expressing appreciation. He praises individuals privately and publicly and creates an environment where everyone feels valued. He even sends hand-written notes!
- Communicating a vision for the future. His vision for a winning team inspires the team to aim for greatness for the team and for the city they represent.

Sounds a bit Ted Lasso-ish and I can get on board with that.

*I am not endorsing the Eagles in any way.

See You at TPIE!

I'm headed to Ft. Lauderdale for the Tropical Plant International Expo (TPIE) next week, just as the forecast for Boston will be 6F. I'll hunt down all the best new tropicals and houseplants I can find, along with all the cool new accessories that are a trademark of the show.

Speaking of "cool," if you're attending and want to be a roving retailer judge for The Garden Center Group's Cool Product Awards, I bet you still can (contact Danny Summers about that). Otherwise, check out the awards that these judges chose during the awards ceremony, taking place at 1:00 p.m. on Thursday, January 23 somewhere on the show floor—just listen to the announcements to learn where.

If you want me to visit your booth, chat about something specific or just want to say hi, either flag me down at the show or you can email me to set up a time. Haven't registered for TPIE yet? Do so HERE.

If you have any questions, comments, suggestions, etc, drop me a line if you'd like at ewells@ballpublishing.com.

Ellen Wells Senior Editor Green Profit

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