

Features

3/1/2025

Non-Traditional Revenue Streams

Gail Vanik



Garden center owners looking for ways to increase revenue may find that the avenues available to them aren't always obvious. However, you can discover several non-traditional revenue streams using creativity and out-of-the-box thinking.

Focusing on Soil

Soil is a staple product at most garden centers, but have you ever thought about selling it differently? Our compost pile grew to monumental proportions and we saw a need in our community, so we began selling the compost to homeowners to use as an amendment in

their home gardens. We turned our trash into someone else's treasure in our high, dry, desert climate with its notoriously poor soil. We had a waiting list two years out and had to limit purchases to two loader scoops per customer per year. Since it had already been expensed when used initially, the profit margin on compost sales was 100%.

Pictured: Health concerns prompted Vic Vanik to begin growing his own vegetables, but consumer demand made it a revenue stream.

You'll be surprised at how many customers only need a small amount of soil or don't want to wrestle larger bags, especially your "seasoned gardeners." If you're a grower/retailer, consider breaking up your growing bales and repackaging them into smaller sizes. Customers will appreciate having the same mix that the professional grower uses available to them in a more convenient size. The profit margin on this will vary, but generally floats somewhere in the 84% to 88% range, depending on the cost of your bales, bags and labels. A side note should you choose to do this: Be sure to get permission from your soil vendor and always label appropriately.

Leaning in to Veggies

What turned out to be one of our best revenue streams was born of a health concern my husband had many years ago. To combat his high cholesterol we planted a few flats of lettuce seeds into trays in the greenhouse so our family could enjoy fresh veggies during the winter and help with his diet. Customers would come in to purchase Christmas poinsettias and ask if they could buy our lettuce. With an aging population and many health-conscious foodies in our area, we thought we might be on to something and this fledgling experiment exploded into an extensive winter vegetable program, which in turn was the genesis for our Winter Farmers Market.



Pictured: From the winter veggies came the idea of a Winter Farmers Market, which ballooned into a major revenue source during a typically slow season.

This winter veggie program and the subsequent Winter Market kept our staff employed through the winter months, eliminating the need to re-hire and train each spring, and kept customers coming in the door each week when they shopped for food. It established us as a leader in the local food movement and created a gathering place for folks in our community. The profit margin on the veggies varied, but our average fell in the 92% range and the margin on table rental for the Market was 100%.

Additionally, if you end up hosting a Winter Farmers' Market, consider holding a Chef's Challenge. Appeal to health-conscious foodies by locating a chef at a local farm-to-table restaurant willing to come to the Market, have the chef choose among the vendor's offerings that week and create a meal while customers watch. The profit margin can be 100%, depending on your costs, and whether you charge customers to watch and taste. Be sure to have the local press cover the event—it's a fabulous way to get free publicity for your store and the vendors!

Unique Vendor Partnerships

We never considered Renewal by Andersen Windows as a potential market vendor, so we were surprised when they approached us about having a spot at our Winter Market. They rented a booth the first year, then changed their agreement with us so that instead of renting we received a percentage of the sales they made from the leads that came from using our facility. When we sold the garden center in 2022, they had a presence most weekends throughout the year, even when the Market wasn't running.

Garden center customers are typically homeowners and are often interested in replacement windows, so our customers were their target market. They loved having visibility in a brick-and-mortar store without the commitment of monthly rent and we loved the 100% profit margin and receiving a check each month. You might also check out Hickory Farms or other larger companies that rent kiosks at the mall, particularly during the holiday season, because they may be interested in having pop-up shops elsewhere, too.

Community-Driven Events

Keep the community events you host fresh, fun and new by thinking outside the box and trying to offer something that no one else in your area is doing in ways that will increase revenue. For example, while you may already host a holiday open house, it may be time to refresh that activity. We held a Luminaria Night each year complete with Santa and Mrs. Claus, over 1,000 luminarias scattered throughout the greenhouses and nursery, homemade cookies, hot chocolate, and live music performed by the local high school choir, high school band, and several community choral

groups and bands. The parents, families and friends all showed up to support the kids and groups, so this became a huge evening event for us. Depending on the weather, we regularly had between 1,000 to 1,500 people turn out and the registers were busy all evening.



Pictured: A holiday event called Luminaria Night brought in upwards of 1,500 people to see more than 1,000 luminarias, as well as local performers that included the high school choir and band and local community performers.

You may be surprised at how many civic groups and businesses are looking for places to hold their events other than the typical community room at the local rec center—what better place than a warm, tropical greenhouse surrounded by beautiful plants and flowers? Offering your facility to others as a place to

hold their events is another great way to get free publicity and gain exposure to potential customers who might not otherwise come into your store.

A couple of examples: A women's clothing boutique in town began holding its annual fundraising fashion show at our garden center each year. This event grew into an upscale evening that included dinner, alcohol, demonstrations by the local ballet school, dance club and more, and the audience of 30- to 65-year-old women was our perfect target audience. A local church group used our greenhouse one Christmas Eve for their services because their church was too small to hold the size of the congregation they expected that evening. Opportunities to shine in the community as a gathering place are everywhere and they can give you great exposure at little cost. The profit margin on these events is 100% if you choose to charge.

Consider Your Space

Another way to increase revenue is by repurposing your existing space—your underutilized real estate or facilities. For instance, we rented our empty greenhouse bench space pre-season to local co-ops, farmers and customers who wanted a place to start their crops for outdoor growing later in the season. Everyone was happy to have a warm place to plant without fear of losing starts due to an early frost in an area where Mother Nature isn't always kind or predictable. If you live in a cold region, this can be a valuable service for your customers—we found a way to fill a need we recognized in the community. Another year we instantly became a one-stop-shop for candy and flowers for Mom one Mother's Day by renting space to a fudge maker and a hand-crafted chocolate maker.

Sometimes small changes to what you already do can also work to your advantage as well. Consider tweaking your spring hanging basket workshops to include holding those containers until they grow on for pickup in mid-May. This will bring that same customer in your doors twice instead of once and she will most likely also shop for her spring flowers or other garden-related needs when she picks up her basket or pot.

Encouraging your custom-planting clients to refresh their containers throughout the year enables you to make a sale each season, rather than only once each spring. Start in the spring, then refresh again during the summer, and for a third time in the fall for mums and pansies, and perhaps again during the winter for a holiday porch pot creation. Not only will it keep their business fresh and seasonally appealing, but it'll increase your revenue multi-fold.

These are just a few things we tried in our garden center and I know this industry is full of creative folks. So challenge yourself to think outside the box for new, imaginative and non-traditional ideas and use them to find interesting and unique ways to leverage what's already available in your garden center to help increase your

revenue.

Be innovative. Be creative. Take on a new endeavor. Take some time to look around with fresh eyes or ask your staff or even a trusted customer for their thoughts, too—you may be surprised at what new revenue stream ideas you can discover. **GP**

Gail Vanik and her husband Vic launched Seasoned Gardeners Consulting in 2023 and are service providers within The Garden Center Group. When they sold their business, Four Seasons Greenhouse and Nursery in Colorado, they were consistently one of the most profitable members of The Group. She can be reached at 2gailvanik@gmail.com.