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TGCG Members Posts 25% Sales Increase

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Most of the members of The Garden Center Group already knew they had a banner year in 2020 because they track sales weekly. But the big reveal of the 17th Annual P&L Study in March put that “banner year” into stark relief: total sales for the 73 garden centers reporting were 25.1% over the previous year. According to the Group, this was a result of both Average Sale increases of +10% and Transaction Count increases of +14%.

The Group members can thank Steve Bailey and Tim Quebedeaux of RetailKPI Consulting and The Garden Center Group’s Financial Programs Managers for crunching the numbers in a multitude of categories, from overall sales and profitability down to category level performances.

The high numbers even resulted in the Group breaking down its highest performers into three groups instead of two. It kept the High Achievers, with net profits of 5% to 9.9%, and the Best Practices with net profits above 10%. But this year it added a third group, the Best of the Best, with 18% to 25% profitability. When broken down by group, the total Group saw a +25.1% increase in sales over 2019, while the Best Practices group saw +28% and Best of the Best increased +30%.

Sales don’t mean much, though, if you lose those gains through higher costs. The Group’s overall profit numbers increased with a net profit of 13.6%, compared to 5.6% in 2019, while the Best of the Best saw 21.3% net profit.

“We expected the results to be higher than normal, but they have set a new level of benchmarks. Our P&L Study is the longest running and most comprehensive study of its kind in North America,” says Managing Director Danny Summers. “Any center who has participated in past years knows this for a fact. What began as a simple compilation of just a few numbers has continued to develop into a very complex and detailed benchmarking system. The average individual center’s report is now 18 pages—that’s not just a few numbers.”

You can find out more about the Group, including its upcoming Fall Event in Wilmington, Delaware, at thegardencentergroup.com. Each month in 2021, we’re running a profile of a Garden Center Group member in the Best Practices group, too. **GP**