

## Cover Story

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# Tradition With a Twist

*Jennifer Polanz*

Here's the short answer for the question of gift and holiday 2022: read this story, and if you haven't ordered yet, put the magazine down and get those orders in ASAP. Then, pick the magazine back up and finish reading.

OK, now for the long answer: I talked to several people in the holiday industry—whether its lighting, décor, ornaments or gifts—and got the scoop on what trends you'll see at the markets and how availability will be for this year. Check out the sidebars, too, on tips for even more holiday sales and why the supply chain probably won't right itself in the first part of 2022.

## What's Trending

Hopefully, you're coming off strong holiday sales from last year and need to restock your offerings. According to Beth Lorentz, marketing director for Glenhaven Home & Holiday, this year's holiday will be about cultivating a comfortable, peaceful feeling in the home.

"I think what we're going to experience in 2022 is sort of like a waking up," she says. "We've been in this long period of restriction and uncertainty. So I think that we're seeing colors that reflect a little more optimism, a little more hope, a stability and balance."

What does that mean? It's traditional colors—the perennial classics of red, green and white.

"For Christmas it's always been there, but I think to make green feel really natural and bring the outdoors indoors is going to be very important," she says, adding holiday themes will go the more traditional route with a design style that will feel more modern, clean and clear. Things like sweet treats, the natural world in pine, berries, trees and birds will trend, as well as anything designed for comfort and coziness.

She notes monochromatic color tones are trending this year. For example, if you take red as a color, it wouldn't be one shade of red, it would be lots of shades starting at the pink ends through fuchsia, cherry all the way to burgundy.

"It's a fun way to update Christmas," she adds. "Any color can be utilized that way."

Jim Williams, vice president of merchandising at Arett Sales Corporation, which has its line of Good Tidings holiday products, concurs that the main driver for 2022 holidays is to create a warm, welcoming and celebratory ambiance in the home.

"We are seeing the use of florals and natural materials in trending themes, as well as metallics and other nature-inspired elements," he says. "The themes in our Good Tidings Showroom incorporate these elements throughout the designs. Botanical Christmas, one of our themes, highlights floral elements of amaryllis and poinsettias.

“Our Comfort and Joy theme features more florals and natural items that create a warm and comforting feel to the design.”

On the ornament side of the industry, Old World Christmas President & CEO Neal Applefeld also sees tradition as a driver, especially when it comes to choosing ornaments that will be handed down to the next generation. His hand-blown glass ornaments have always been popular, but he saw even more increased sales since the pandemic began, a trend he attributed to people wanting to decorate more for the holidays to change the indoor scenery they’ve been seeing for months on end.

“Once people start their collection they tend to come back year after year to add to it,” he says of the ornaments. “Parents buy an ornament every year for their children to reflect hobbies and accomplishments. It creates a collector from generation to generation. It’s wonderful for the garden center to see what’s new in the line and keep adding to that collection.”

Old World Christmas has 1,500 different designs and brings out about 150 new pieces every year. This year there are new Santas and snowmen in keeping with the trend of traditional holidays. There are also new gardening- and food themed-ornaments coming out, lines he says continue to be strong.

On the food side, there’s a pumpkin-spiced latte, a charcuterie board, a bowl of cereal and pie à la mode, while on the gardening side there’s a snail, a garden apron, a gnome and a butterfly.

He sees Earth tones trending in ornaments for 2022, as well as personalization—they’re focusing on having a clear area on ornaments where a customer can write a name. One other trend, thanks to the pandemic, is game night-related ornaments. They’re working with Hasbro and created ornaments for Trivial Pursuit and other legacy games and toys.

## **When Can I Get It?**

All this talk of trends is great, but only if you can get the products you ordered, right? Everyone I talked to said it’s imperative that retailers order early (see the sidebar on the supply chain bottlenecks for more on why). The other caveat is retailers need to expect increased costs, which at this point probably isn’t a surprise.

“We see supply chain disruptions continuing for at least the first half of 2022. Production capacity in China, as well as container and vessel space availability will continue to be a challenge,” Jim at Arett says. “Price increases will be implemented across all categories of products due to the increased cost of freight, raw materials and labor. Retailers will need to make their buying decisions early to ensure product is delivered on time.

“Retailers and suppliers will need to work closely together to make the 2022 holiday season a success.”

Arett started placing orders for the holidays in December and has its Good Tidings showroom open through the end of January for retailers to visit, see product and displays and order.

Tom Durkin, owner of Glenhaven Home & Holiday, set up his business model for this very reason and his customers already had their holiday orders in by the time I talked to him before Thanksgiving. His goal is to get independent retailer orders in to the factories he works with in Asia before the January markets take their orders, getting ahead of the rush.



“What we’re doing at Glenhaven, which I feel good about, is really the only thing you can do to address the issue—to buy early and take a significant inventory position,” he says. “I think availability next year, hopefully it will be better. We feel good about our chances.”

Neal, too, is seeing freight rates staying high for now, and his company also does early buying programs for retailers in January both on their website and at the markets they attend (Las Vegas, Atlanta and Dallas [in the NextGen showroom]). He’s optimistic about his products because of the early buying programs.

“We feel like we’re in good shape,” he says. “We talk to a lot of freight folks and everything we’re hearing is the first half of the year will be just as bad.

“With all the holiday merchandise coming in, it’s really backed up on both coasts. We’re eager for that to end.”

*Pictured: One of many areas dedicated to holiday products in the Good Tidings showroom in Moorestown, New Jersey.*

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## Supply Chain Breakdown

Here’s a quick rundown on why you may only get partial shipments, may experience delays in receiving product or have higher freight costs than you expected, depending on who you’re ordering from and where the product is coming from:

- Manufacturers in Asia are seeing intermittent shutdowns due to COVID outbreaks and/or labor shortages. In China, add power outages to that list. These are expected to continue at least through the first quarter of 2022.
- Shipping containers in key regions of Asia remain in short supply to load products from the manufacturer and head out onto the open water. We’re hearing reports that prices are starting to decline slightly, but are still far above industry norms.
- Ports on the East and West coasts are backed up, with ships waiting on the water to even get into the port. Recent media reports say this likely won’t resolve until mid-2022.
- Once a ship docks, there have been labor shortages and coordination issues in getting containers unloaded off ships and onto transportation. Our sources say this can result in an additional three to four weeks of delays.
- There are significant delays in railyards throughout the country. Once containers are unloaded from the ships, they are railed into the Midwest or to the coasts.
- Finally, finding a truck driver to deliver the container to its final destination is becoming more and more difficult, for a variety of reasons (low overall pay and stricter drug testing among a few of the reasons).

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## Getting More Out of Holiday Sales

Neal Applefeld, President & CEO of Old World Christmas, passed along a couple of ways retailers can get more out of their ornament sales. One way to entice customers is to display them in fun ways, like this example of baskets for food ornaments that makes it look like a farmers market.

He also says retailers should consider carrying a small assortment of ornaments year-round as gift-giving opportunities.

“We ship all year round,” he adds. “We actually see a lot of our customers have good ornament sales all year.”

He suggests table sets with ornaments, using them in seasonal wreaths—which are popular outside of the winter holidays now—and keeping summer and garden themes on hand.



Blake Barry, director of sales at Arett, says retailers can expand sales by carrying smaller artificial trees with lights, which are great for small-space decorating, as well as for customers who want more than just one big tree.

“People want to take the outdoors to the indoors, and this was especially true with some of the younger audience, the Millennials, who want the decoration but don’t have a lot of space,” he says.

He also notes that indoor plants have made huge strides on the gift side during the holidays, so

positioning small pottery in all colors, including holiday-themed red, green and white or even metallics, can increase sales for both the plants and the pots.

“Indoor pottery has been amazing the last two years—if you’ve got these indoor succulents, cactus and indoor plants ... I think you’re going to see more of that head out the door, too, for the holidays.”

Beth Lorentz, marketing director at Glenhaven Home & Holiday, says if retailers have surrendered lighting sales to box stores, they might consider taking them back with their 4-ft. and 8-ft. light sets that include retail POP signage. When customers are buying their wreaths, trees and swag, they’re also looking for the lights, ribbon and other ornamentation to go with it. **GP**