

# Germany's markets for garden and pet care

Drawing from reports recently published by German organisations BBE Retail Experts and The Industrial Association of Pet Care Producers (IVH), Charlie Parker finds the markets in Germany for garden and pet care to be in good shape.

## GARDEN AND LEISURE

Germany is by far the largest market in Europe for garden products. A wealthy population of over 82 million people, of which about 20 million own a garden, puts the country in a league of its own. With spoga 2009 now imminent, it's an opportune time to take a look at some of the data for this important target for British exporters.

There are widely differing figures for the overall size of the German market for garden products. Generally, it has been pitched as being in excess of €10 billion. However, the most recent survey by the Cologne-based research body BBE Retail Experts has its 2008 value much higher at €14.9 billion, an increase of 1.9 per cent on the previous year.

This steep variation can be explained to some extent by the fact that the figure of €14.9 billion is based on consumer prices including VAT, which the German government hiked from 16 per cent to 19 per cent at the beginning of 2007. BBE predicts the total value of the market will be €15.7 billion by 2013.

According to BBE, over 57 per cent of German houses have a garden and many more households have access to a 'Schrebergarten' or allotment. There is an increasing trend towards smaller gardens, but Germany still has a high percentage of larger gardens compared to other European markets.

### How Germany's privately owned gardens are dispersed

Area	%
Up to 99sq m	17.1
100-299sq m	33.4
300-499sq m	26.4
500+sqm	21.6

Source: BBE Retail Experts

A recent study by the Munich Institute for the Leisure Sector estimates there will be over 22 million privately owned gardens in Germany by 2010. And Markt in Grün reports that a gardening boom is now gripping the populace. Three million people belong to around 15,000 gardening societies across the country.

At the Federal Association of German DIY Stores and Garden

Centres (BHB) conference in May this year, the following lifestyle and product trends were identified in the German market:

- Homing and staycations
- Living in the garden
- Garden as status symbol
- Relaxation
- Convenience
- Ergonomic tools
- Home gardening – water friendly
- Lighting
- Wood in the garden
- Urban gardening (allotments making a comeback)
- Fruit, herbs and vegetables
- Greening of roofs
- Green design – eco-labels etc

As elsewhere in the world, the garden sector in Germany has survived the downturn in the economy much better than other sectors. The spring weather was kind and trends such as 'Grow Your Own' are very strong. Another positive factor for the garden sector is an ageing population with a rapidly rising number of over 50s (or Best Agers as they are known in Germany). In 2008, the over 50s already made up more than 25 per cent of the population and by 2018, the country will have an additional 5.5 million

of them. This age group is more likely to spend time in the garden and has more money to spend on garden products.

### Sales channels and market shares for gardening goods and services:

	%
DIY stores	30.1
Garden centres	13.1
Florists and garden shops	19.2
Mail order/internet	3.1
Food stores and discounters (Aldi, Lidl etc)	3.8
Landscapers	3.1
Nurseries	5.1
Power tool and machinery dealers	4.7

Source: BBE Retail Experts

Mail order, internet and discount stores have shown some of the biggest increases in market share, but these retailers started from a relatively low base. Sales of garden products at OBI, whose 330 superstores in Germany make it the country's leading DIY chain, are reported to be approximately €1.6 billion. The largest garden centre chain, Dehner, which has about 100 outlets, has a turnover of around €650 million.





In common with most European markets, the economic climate has hit retailers very hard. But, as already noted, gardening has fared better than many other consumer goods sectors. BBE predicts modest growth for the gardening sector in the next few years, fuelled by developing consumer trends such as 'Grow Your Own'. While the pound remains relatively low against the euro, this will provide opportunities for British exporters to take a share of this huge but competitive market.

In September 2010, Gardenex will be taking a British exhibitor group to the combined gafa + spoga trade shows in Cologne which attract between 40-50,000 trade buyers from Europe and across the world. Grant funding of at least £1,000 is available to eligible SMEs for this event, but the number of funded places is capped.

**Please contact Theresa Swann at [theresa@gardenex.com](mailto:theresa@gardenex.com) if you are interested in taking part.**



## PET CARE

Germany's pet care market in Germany is proving resilient against the economic downturn. The Industrial Association of Pet Care Producers (Industrieverband Heimtierbedarf - IVH) reported in May that consumer sales in 2008 increased by 4.4 per cent over the previous year.

The market for pet food totalled €2,594 million while accessories and pet care products totalled €906 million.

### The pet population in Germany

Cats	8.2 m
Dogs	5.5 m
Small animals	6.2 m
Birds	3.4 m

Source: IVH

Within the pet food segment, cat food has the largest share with sales of €1,311 million. The market for snacks grew by 11.7 per cent to €153 million.

Sales of dog food were at €1,037 million, with dry food taking the largest share at €391 million. Wet food totalled €350 million and snacks €296 million.

Small animal food accounted for €118 million, while fish food turnover stood at €70 million.

Cat litter is the largest single product category outside pet

food, taking a sizeable chunk of the market with sales of €218 million. Other figures include:

Accessories for cats	€172 m
Accessories for dogs	€146 m
Accessories for small animals	€104 m
Accessories for fish	€220 m

All these areas showed an increase in turnover in the region of six per cent compared with 2007, apart from accessories for fish which were down by 0.9 per cent.

Around 18 per cent of pet accessories are sold through supermarkets, drug stores and discounters (Aldi, Lidl for example). The rest are sold through specialist pet stores or pet departments within garden centres, DIY stores etc.

The IVH reports that pets are to be found in a third of all German households (fish and reptiles are not included in this estimate).

There are said to be two million aquariums in Germany and an additional 2.2 million garden ponds containing fish. There are also estimated to be 430,000 vivariums in the country.

PetQuip is taking a British exhibitor group to Interzoo in Nuremberg from 13-16 May 2010. This biennial trade show attracted over 37,000 trade buyers from 114 countries in 2008 and is the premier event for the pet care industry.

Funding of at least £1,000 is available to eligible SMEs for this event, but the number of funded places is capped.

**To find out more about exhibiting with the British group at Interzoo 2010, please contact Theresa Swann or Emma Lewis at [theresa@gardenex.com](mailto:theresa@gardenex.com) or [emma@gardenex.com](mailto:emma@gardenex.com) or phone +44 (0) 1959 565995**

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