

Business Barometer February 2010

Water Garden News regularly surveys pond and water garden companies about their business climate and sales trends. Respondents are granted anonymity. These responses came from a February 1 survey.

Tuesday, March 9, 2010

Business Expanded Despite Lower Sales

A water garden center in Sparks, Nev.

Last year we were down about 35 percent. We imported about 1,000 Japanese koi (about 1,000 fewer than we normally import), and we sold them all.

Contractors were the ones hit the most, and we do not do construction. Instead, we teach homeowners, landscapers and contractors how to build ponds. We have a pond-building class scheduled for our local landscape association, and we plan to do a college class before winter ends.

Homeowners with money in years past decided to repair or maintain their features themselves, and typical DIYers simply delayed their projects. About 2 percent of my customers decided to close their ponds completely. People who lost their homes brought their fish in to us.

Despite being down, we expanded. When a local business went under last year, we took over saltwater fish for our area.

We send out our newsletter every year, support local contractors and cut back a bit on merchandise. Our television ads seem to bring in a bunch of business. Otherwise, we tightened our belts and watched inventory control.

Seminars Increase Business, Sales

A pond product retailers in Albuquerque, N.M.

We closed the season tremendously down last year with a 30 percent drop in sales. We are doing more marketing, signage and cross merchandising now. We also set up a website this year and are adding a weekly blog.

Every other year we offer some seminars about pond construction, filtration and winterizing. The seminars definitely increase our business and sales.

Aquatic Plant Sales Drop Off

A water garden center in Pahrump, Nev.

We're a fast-growing region, and most of our advertising is word of mouth. Sales are a little down from the year before, but I have no labor costs. Despite seven display ponds and a commercial greenhouse I've witnessed a drop off on aquatic plant sales.

Winter Brings Minimal Foot Traffic

A garden center in Bristol, Tenn.

Business is not too good, but it's still winter season for us. We have several inches of snow on the ground with snow and freezing temperatures for the past few weeks.

We occasionally sell a pump, but the economy has been tight around here. People are spending money on gardening supplies, such as seed, plants and fertilizer, and then buying flowering and hanging plants next.

Treading Water Until Business Returns

A water garden center in Upland, Calif.

Business is lousy. We're down by 30 percent.

During past recessions, we had a base of clientele that came, in even in bad years, for chemicals and other maintenance. This year, we lost at least half of our base clientele because they sold their homes to people who did not want the ponds.

We're treading water. If I did not own everything, I would be out of business.

Marketing, Ads Planned to Boost Business

Owner of an aquatic and small animal pet store in Jasper, Ind.

Business is down about 24 percent over last year's January. The plan is to start doing some marketing to improve that.

We are getting ready to distribute fliers and bonus bucks to gain repeat customers. For every \$200 they spend, we give them a \$5 coupon to use in the store.

We have a pond set up on the property with six 3-foot koi that customers can look at and hopefully get them fired up for when spring rolls around. For now, our biggest sellers are the pond heaters and de-icers because it is 20 degrees Fahrenheit outside.

Once spring arrives, we will offer in-store educational seminars and advertise in the local newspaper.

Owners Now Hire Pros for Postponed Cleanings

A full-service pond business in Napa, Calif.

Building basically has come to a halt. I built two small ponds last year.

Many people still build ponds, but they are not using pond professionals. Instead, they are using landscapers with little experience building ponds properly.

I closed my store last year. Now I do business out of my house, and I'm the only employee. My goal is to reduce my stock to maintenance levels. I maintain the fish tanks and still sell fish.

I have on-call employees who help with maintenance and cleaning. I lost a few maintenance jobs the last couple of years because people could not afford the service so they did it themselves. Now people are spending more money on cleaning and repairs because their ponds have gotten out of control. The cleanings are beginning to pick up a little more this year.

Business Increased 50 Percent

Owner of a pond service business in Bradenton, Fla.

This is normally a slow time of year for us, but it's been surprisingly good so far. We notice business started to improve in mid-December.

Our main focus turned to pond installations and maintenance. We have seen a 50 percent improvement in business compared to a year ago.

People are being a bit more optimistic now. We are getting calls for backyard features, including waterfalls and koi ponds. Things are quite different from last year, when we were forced to shut down the retail side of the business and focus on pond installations and maintenance.

We still offer products through our online store, and we offer local delivery. Business overall seems to be doing very well. People were pinching pennies last year, but I think they want to spend now.

Optimistic Outlook for 2010

Owner of a pond service and fish sales business in Royston, Ga.

Everything is off this time of year. When it's 38 degrees Fahrenheit outside, nobody is worried about their ponds. Business is holding steady, however, and we are doing what we can.

On the bright side, we are starting to get calls for spring jobs, including installations and maintenance. I pray that it gets better.

With a drought, the recession and the wet winter, we experienced about a 70 percent decline in business. While the pond

business dropped off, we are starting to do more outdoor kitchen work.

We are not losing any more business, but we are not gaining much, either. For the next few weeks, we already lined up customers for spring cleaning work.

We also plan to help customers breed their koi. Our outlook for 2010 is to remain optimistic.

Owners Continue to Maintain Current Features

A full-service water garden center in Dallas, Texas

Business is a little bleak, though people who already own water features are taking care of them. We have not seen many new starts over the last year.

People come in for maintenance products, such as fish food, water treatment and small repairs. We are hanging in there.

Because business is slower, we cut back on carrying frills and flourishes, but kept plants, fish and core products. We had a fairly big sale last fall, and we will retain the sale prices on the remaining merchandise until spring. We will not give up.