



Garden Pots in Europe

'Practical market insights on your product'

Both the short-term and longer-term prospects for garden pots in the European market appear to be optimistic thanks to favorable weather conditions, demographic changes, housing sales, outdoor renovation and environmental concerns. In their attempt to get closer to nature, European consumers have embraced the pleasures offered by the garden. Garden pots adding instant nature indoors and outdoors have an important role to play. This provides DC exporters with opportunities to enter the market. In terms of market segments, garden pots are now moving from low into mid- and high-end market segments.

Product definition

Garden pots are containers in which flowers, plants and vegetables are cultivated and displayed. They come in all shapes, sizes, colours and materials, such as terracotta, plastic, wood, stone, metal or biodegradable materials. These containers can be found on porches, on front steps, in gardens, and in urban settings: in small (often make-do) gardens, on balconies, rooftops, or inside the home.

Classification of garden pots:

- **Harmonised System (HS):** within the EU / EFTA, the following HS codes are used as indications for trade in garden pots:
 - 6914.1000 - ceramic articles of porcelain or china n.e.s.
 - 6914.9010 - ceramic articles of common pottery
 - 6914.9090 - ceramic articles n.e.s.
- **Prodcom:** the following prodcom codes are used to indicate European production of garden pots:
 - 2349.1230 - other ceramic articles of porcelain/china including non-refractory firebrick cheeks, parts of stoves/fireplaces, flower pots, handles and knobs, signs/motifs for shops, radiators humidifiers
 - 2349.1259 - ceramic articles, n.e.s. (excl. of porcelain or china)

Product specification

Quality

- **Durability:** as garden pots are also placed outside, they need to be able to withstand changing weather, from high levels of sun to rain and snow. Note that wooden containers may need to be treated annually with a preservative or stain to retain their appearance and prevent deterioration due to changing weather conditions.
- **Weight:** to facilitate shopping, transport, and the regular garden make-over, garden pots need to be easy to carry and move around. Light-weight materials are therefore favourable.

Example garden pots



Source: Elle Decoration

- **Functionality:** garden pots need to allow effective water circulation to keep the plants healthy and the soil nutritious. Sizes need to fit the plant's roots space requirement to shape a good airflow.

Labelling

Information on the outer packaging of garden pots should correspond to the packing list sent to the importer. Labels for garden pots on the outer box should include the following information:

- Producer
- Consignee
- Material used
- Quantity
- Size
- Volume
- Caution signs

On the product label, EAN or barcodes are widely used within Europe.

Please note, your buyer will specify what information they need on the product labels or on the item itself (logos, 'made in..'). This forms part of the order specifications.

Use the English language for labelling unless your buyer has indicated otherwise. With the widespread practice of e-marketing of garden pots, individual packing and labelling is a firm requirement.

Packing and packaging

- Garden pots should be packed in agreement with the importer's instructions. Every importer will have their own specific requirements related to the use of packing materials, the filling of cartons, palletisation, and the stowing of containers. Always ask for the importer's order specifications, which are part of the purchase order.
- The balance lies between using maximum protection and avoiding excess materials (waste removal is a cost to buyers) or shipping 'air'.
- Proper packing of garden pots can minimize the risk of damaging through shocks. The fragility determines the packing of the products for export. Packing should prevent that individual items inside a carton damage each other and the cartons themselves when they are stacked inside the container. Packing therefore usually consists of inner and outer cardboard boxes, with appropriate materials to protect the products inside the inner boxes (this may involve materials such as bubble wrap or paper, depending on the preferences of the buyer).
- Packing needs to be of easy-to-handle dimensions and weight. Standards here are often related to labour regulations at point of destination and will have to be specified by the buyer. Cartons are usually palletised for air or sea transport and exporters are requested to maximise pallet space.
- Cost reductions can be achieved by nesting and stacking the items inside the container. Such considerations should be part of the design phase of this product group.
- In the case of wooden garden pots, special care should be taken to properly dry the wood after production since wooden items can mould or crack. Mould can appear during transport due to condensation inside the container, caused by air at high levels of humidity that becomes colder and warmer due to day-to-night fluctuations in temperature. Proper air ventilation inside the container is vital to prevent this and containers must be inspected for air holes before shipment; products to reduce humidity are available to place amongst the cargo. Make sure the importer's instructions are followed here.

Example of packaging



Source: Alibaba

Requirements you must meet

General product safety: the General Product Safety Directive applies to all consumer products. It states that all products marketed in the EU should be safe to use and forms a framework for all specific legislation on specific products and issues.

Considerations for action: Study the specific legal requirements listed, but also use your common sense to ensure the product does not cause any danger in its normal use. Most buyers will require proof of the DC exporter's compliance with legal requirements. You can read more about the [General Product Safety Directive in the EU Export Helpdesk](#).

Considerations for action: For a full overview of legislative requirements for garden pots, please consult the [EU Export Helpdesk](#).

Considerations for action: Check the rapid alert system for non-food dangerous products ([RAPEX](#)), a database with information on safety risks in consumer products notified by European countries and the measures taken to alleviate these risks.

REACH: the Regulation on Registration, Evaluation, Authorisation and Restriction of Chemical (REACH) lists restricted chemicals in products that are marketed in the EU. In order to market your garden pots on the EU market, you need to make sure that your products do not contain hazardous substances as defined by REACH. Chemicals relevant to you depend on the materials used for your garden pots.

Considerations for action: Familiarise yourself with the full list of restricted substances in products marketed in the EU by checking out restricted chemicals in the [Export Helpdesk](#). If you use impregnated wood, find out (perhaps through your supplier) which substances are used and make sure these are not in conflict with the EU restrictions. Read more in [Regulation \(EC\) 1907/2006 \(REACH\), Annex XVII](#). If you use PVC, find out more about PVC [here](#).

CITES: the Convention on International Trade in Endangered Species ([CITES](#)) lays down provisions for international trade of endangered species. The EU has set additional import restrictions.

Considerations for action: Before exporting your products to the EU, you should check with the CITES management authority of destination or with your importer, if there is any restriction that may impact the import into the EU.

Wooden garden pots

Specifically for wooden garden pots, additional legislation applies.

Timber: Under the [EU Timber Regulation](#) (EUTR), placing illegally harvested timber and products on the EU market is prohibited. Only when your timber is proven legally, it is allowed to be imported into the EU. Wood carrying a FLEGT license, or a CITES permit, is considered to comply with the EUTR.

Considerations for action: As the responsibility of compliance with legal sourcing lies with your importing company, you can expect an increase in requests for information on products' details, origin, the legality etc.

FLEGT: the FLEGT action plan is designed to control the entry of timber into the EU from those countries that have entered into Voluntary Partnership Agreements (VPA) with the EU. It makes it illegal to import certain types of timber from these countries unless that timber has a FLEGT licence, which provides evidence that the timber has been legally harvested.

Considerations for action: Check if your country has a VPA with the EU and if your product is covered by this VPA before exporting your products to the EU. If your country is part of the VPA make sure you comply with their requirements to verify the legality of your timber product before entering the EU.

Common requirements

Sustainability: social and environmental sustainability offer ways for companies to differentiate their products on the European market. Opportunities range from sustainable raw materials, production, certification and use of labels (see Niche requirements). The following certification schemes are increasingly demanded by buyers:

- The [Business Social Compliance Initiative \(BSCI\)](#) has been developed by European retailers to improve social conditions in sourcing countries. Suppliers of BSCI participants are expected to comply with the BSCI Code of conduct, which can be proved by an audit at the request of the importer.
- The [Ethical Trading Initiative \(ETI\)](#) is a code of conduct developed to improve, across the globe, the working lives of people who make or grow consumer goods. ETI is particularly common in the UK.
- Standards such as [ISO 14001](#) and [SA 8000](#) can be used to meet buyer demands for sustainability. However, only in niche markets will compliance with these specific standards be demanded.

Considerations for action: You can expect that compliance with the BSCI Code of Conduct will be seen as a basic requirement as more and more European importers participate in BSCI. Because it can harm your position on the market if you are far from complying with this initiative, you are advised to anticipate by performing a self-assessment, which is available at the website of [BSCI](#).

Considerations for action: Look into the possibilities for improving your performance in sustainability. Even if immediate compliance with certifications is beyond your scope, familiarising yourself with issues included in these will give you an idea of what to focus on regarding sustainability.

Considerations for action: For more information on sustainable design, please refer to [CBI's Tailored intelligence: the Sustainable Design market for Home Decoration and Home Textiles](#).

Considerations for action: For more information on sustainability, please refer to CBI's Trends Special Sustainability.

Forest Stewardship Council (FSC): for sustainable wooden products, including wooden garden pots, FSC-certification of timber is the most common label. This standard is used to certify forests that are sustainably managed. Wood from certified forests is labelled throughout the value chain and as final products. FSC-certified products are especially popular in West-European markets, such as the Netherlands, Germany and the UK.

Considerations for action: [FSC](#) or similar norms for the sustainable management of wood or other raw materials will increasingly adopt a legal character or become a way to influence consumer choice. In order to anticipate future demand, exporters should build such values into their offer, even at the stage when they are optional in trade.

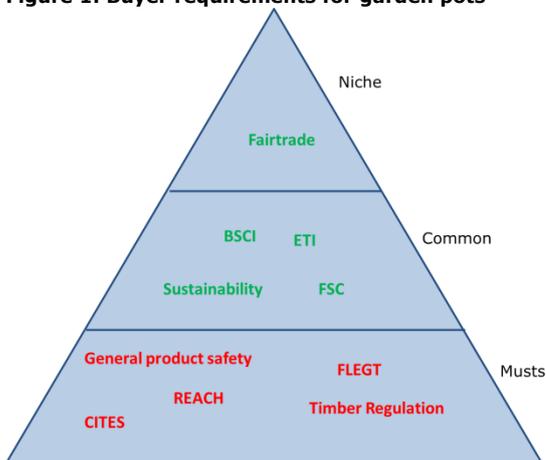
Niche requirements

Fairtrade: Besides social and environmental aspect of production, [Fairtrade](#) certification also covers a fair wage to labourers involved in the production of garden pots.

Considerations for action: Acquire Fairtrade certification to enter the fair trade segment. Compliance with fair trade norms will also make it easier to acquire other social and environmental norms, as it is the most integrated system for sustainability.

Considerations for action: Please refer to the [ITC Standards map database](#) for more information on different voluntary standards and their requirements, including fair production.

Figure 1: Buyer requirements for garden pots



Trade and Macro-Economic Statistics

(!) Please note that data presented below only gives an indication of production and consumption data for garden pots. As no separate production statistics are available for garden pots, the figure below covers "ceramic articles of porcelain, china and common pottery". Other garden pots of different materials are not included as available statistics are too limited. Therefore, care should be taken when drawing conclusions based on the figure below.

Consumption of garden pots in Europe is highest in Germany, followed by Italy, UK and France. Together, these markets amounted to roughly € 254 million in 2012, according to Eurostat.

Growth in consumption of garden pots is expected to pick up in the first quarter of 2014, according to industry sources. The main cause of current growth is the favourable weather conditions.

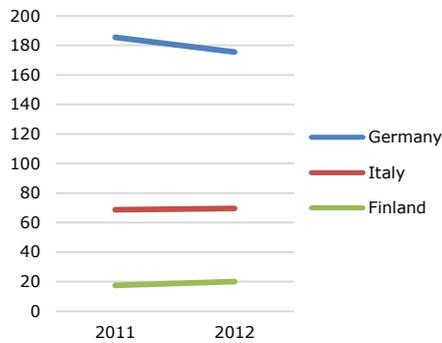
GDP & consumer confidence are expected to increase in 2014, as mentioned in the CBI Trade Statistics for Home Decoration. This will positively affect consumption of garden pots.

Future growth in the garden pots sector is expected to be the result of home decoration and lifestyle trends. Other drivers of growth include demographic changes, housing sales, outdoor renovation and environmental concerns.

Considerations for action: Both the short- and longer-term prospects for garden pots in the European market appear to be optimistic. This provides DC as well as East European exporters with opportunities to enter the market. For you to compete with Eastern European exporters, you need to increase the efficiency of your production and transportation, and differentiate in design, materials, techniques, price and service.

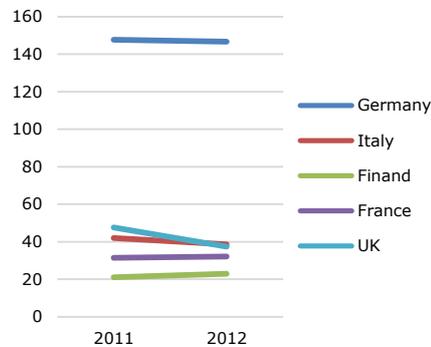
Considerations for action: For more information, please refer to "[CBI Home Decoration and Textile Trends](#)" and "Trend Special: Garden".

Figure 2: Production of garden pots in the EU, € million



Source: Eurostat (2014)
Note: data 2009 & 2010 are not available

Figure 3: Apparent consumption* of garden pots in the EU, € million



Source: Eurostat (2014)
* Calculated as (Imports + Production) - Exports

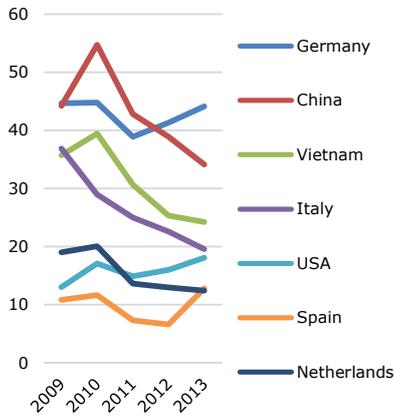
Total European production of garden pots decreased by more than 8% in 2011-2012, amounting to € 370 million in 2012.

Main European producers of garden pots are Germany, Italy, Finland and France. Of these, Germany decreased production in 2011-2012, whereas Italy, Finland and France substantially increased production in the same time frame.

Considerations for action: Production of garden pots in Western Europe is decreasing. This opens up the market for Eastern European as well as DC suppliers.

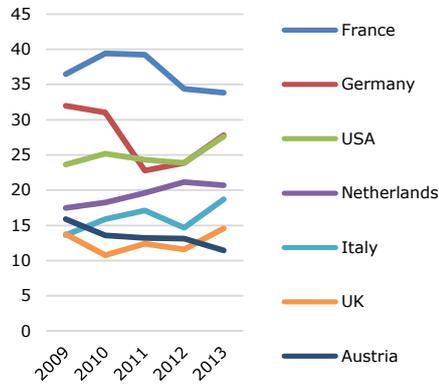
(!) Please note that data presented below only gives an indication of trade in garden pots. No specific trade statistics are available for garden pots, instead these are included in data on overall ceramic articles of china, porcelain and common pottery. Therefore, care should be taken when drawing conclusions based on the figures below.

Figure 4: Suppliers of garden pots to the EU, € million



Source: Eurostat (2014)

Figure 5: Destinations of EU exports of garden pots, € million



Source: Eurostat (2014)

Total European imports (EU + EFTA) imports decreased annually by 5% in 2009-2013, amounting to € 265 million in 2013. Leading European importers in 2013 were Germany, the UK and France. Of these, the UK and Germany had the highest shares of imports from DCs in 2013 as well.

Imports from DCs accounted for 30% of total imports of garden pots in 2013 (value). In 2009-2013, imports from DCs decreased by 7% in value. Of DC suppliers, China and Vietnam were the largest suppliers to Europe in this time frame. Both experienced a decrease in exports to Europe in 2009-2013, with Vietnam experiencing the highest fall in exports, especially in 2010-2013. Growing importers from DCs are Sweden, Iceland and Bulgaria.

Considerations for action: Consider focusing your exports on North and East European countries as these countries increased imports from DCs. Refer to CBI Field of Competition for Home Decoration for more information.

High-increasing suppliers, though still small, originate from Eastern Europe, including Poland, Croatia, Czech Republic and Romania. These countries, mostly manufacture ceramic and plastic pots, at a good balance between price and quality. As such, East European countries represent a threat to countries such as Vietnam which also produces ceramic pots.

Total European exports (EU + EFTA) decreased by 2% annually in 2009-2013, amounting to € 276 million in 2013. Leading exporters in 2013 were Germany, Italy and Belgium. Growing European exporters in the time frame included Austria (+10%) and Eastern Europe such as Poland (+17%), Croatia (+9%), Lithuania (+52%) and Estonia (+61%). Please note that these Eastern countries together represent only a small portion of total exports.

Considerations for action: Exports from Eastern Europe increased considerably, leading to the conclusion that production of garden pots takes place in Europe. As such, you are competing with growing suppliers in East European countries. For more information on this competition, please refer to CBI Field of Competition for Home Decoration.

Main destinations of European garden pots are other European countries and the USA. Of the European destinations, highest growth of exports in 2009-2013 were destined for Italy, Norway and the Netherlands. Growing destinations outside of Europe included the USA, Australia and China.

Considerations for action: Consider fast-growing European destination markets, such as Italy and Norway, for the exports of your garden pots products.

Market trends

Closer to Nature: In their attempt to get closer to nature, European consumers have embraced the pleasures offered by the garden. They enjoy the outdoor passively (e.g. sun-bathing and reading), and actively (e.g. gardening, eating and drinking together with family and friends). Garden pots have an important role to play, indoors and outdoors, adding instant nature, an opportunity to cultivate (plants, herbs and food crops) and for decoration.

Flexibility: Plants in pots allow consumers an opportunity to demarcate spaces flexibly, as a type of screen divider. This mirrors the use of occasional furniture inside, as is described in the CBI PFS Stools and Occasional Tables in [Sweden](#) and [the UK](#). In the garden, a space can be (re-)created by moving garden pots around, providing consumers with the opportunity to create a secluded, private space, or, alternatively a public area for socialising. Moreover, by moving garden pots around, consumers can realise a mini make-over, as they would indoors. Plants in garden pots allow the consumer to enjoy tropical species, which can be moved indoors when seasons change and outside again when the weather improves.

Considerations for action: Determine your options in garden pots. Even though these form a competitive part of the market (see below), they have gained a structural place in the garden and in gardening.

Material Innovation: Innovation in terms of materials used in garden pots is driven by consumer demand for light-weight garden pots (see Product Specification), trend-sensitive mid-market consumers and the unstoppable decoration of the garden.

Considerations for action: Experiment with new materials, combinations of materials and semi-industrial production to achieve differentiation in garden pots, in terms of increased convenience and different finishes. Connect to designers, look at 'neighbouring' sectors such as construction or engineering, invest in R&D and establish a close relationship with your buyer's design team to develop garden pots jointly.

Considerations for action: To improve your competitive position in this market, rationalise your production to achieve economies of scale, improve your sourcing capabilities and lower material cost whilst broadening your offer.

Buy Local: As transport costs are soaring, European distributors increasingly confirm their policy to buy European-produced garden pots. These offer advantages in lower transport costs (which sometimes off-set the higher labour costs), a greater control over quality and logistics, the ability to order smaller runs and the possibility of designing with logistical norms in mind (shapes and sizes of garden pots that fit container space perfectly). European consumers basically do not have a preference for a specific origin when it comes to garden pots. Instead, they desire good value for money.

Considerations for action: Increase efficiency in your production process to help you to compete with European products. Look for competitive transportation deals, facilitate shipment directly from the source and generally offer differentiation in design, use of materials, techniques, price and service.

Mid-market garden pots



Source: Home Garden

Continuous segmentation: Garden pots have long been positioned in low- and mid-low market segments, varying from accessible ('comfortable') design, to trend- and price-sensitive garden pots, with an intensive distribution (see Market Segments). To a large extent, this still forms the dominant segment for garden pots. However, as consumers increasingly consider their garden as an extension of their living room, they want to decorate, differentiate and express their own taste in their garden as well. As a result, rather than becoming a commodity, garden pots are now moving into mid- and high-end market segments as well.

Considerations for action: If you operate in the volume market, you will be requested to sharpen your production tools (even further), by rationalising production and increasing product quality. This allows you to differentiate your products on the market through operational excellence and increased customer satisfaction, as they receive more value for money.

Considerations for action: If you operate in mid-market segments, you need to study the ongoing styles in this part of the market and offer garden pots that satisfy consumer needs to create a contemporary, romantic or nostalgic atmosphere in their garden (see example).

Considerations for action: If you operate in the high-end market segments, offer 'statement' items in garden pots, by using premium materials and techniques, design and functionality. Respond to the consumer's need to use the garden as a platform to express themselves, their level of taste or social status (see example).

The Inner Garden: As plants are gaining in popularity, so will garden pots. Boundaries between interior and exterior decoration have blurred and values merged, the garden has also, quite literally, moved indoors. Consumers have a greater need to be surrounded by green, both at home and in the office. Chamber plants are more popular than ever, with the cactus as the current star. Large pots are placed on the floor and clustered to create a mini forest. The window sill is filled with pots, as are the kitchen area, bathroom, study and bedroom.

Considerations for action: Extend your collections with indoor garden pots. Study the going trends in product design and adopt them for your indoor plant pots (see example).

Considerations for action: Determine your options to target urban citizens. This market segment, demands clever solutions. Urban consumers are looking for increased wellness through plants, in balcony gardens (see example), square-foot gardens, instant gardens and mini-conservatories.

Sustainability: Consumers feel increasingly part of an interconnected ecosystem, also see CBI PFS Birdhouses. The greener their homes, the better. In this sense, garden pots are already a small step towards a more healthy and sustainable planet, by stimulating greater biodiversity. DC exporters can, and will be, challenged to contribute more to sustainability. Consumers can derive additional status by displaying garden pots with eco credentials, which is a relatively new development after green being a niche market and reserved for environmental fundamentalists.

Considerations for action: Investigate greener raw materials for your garden pots. Some of the composites used in achieving light-weight garden pots and greater design flexibility have a heavy carbon footprint. Therefore, innovations in raw materials also need to incorporate actions to achieve renewable, biodegradable or recycled materials. Certification can be sought and used where it is effective.

High-end garden pot



Source: DesPots

Indoor plant pot



Source: Nick Fraser

Balcony garden



Source: IKEA

Considerations for action: Clean up your production process. This can save costs, help the environment as well as provide better working conditions for producers and workers. Consider using certifications such as Fairtrade, Fair for Life, BSCI and other social systems where they add value to your products in the segment of your choice.

Considerations for action: Look for reductions in transport volume and costs. As transport is a big issue in the garden pot segment, all and any reductions help both planet and profits.

Considerations for action: If you are interested in developing green collections, contact the CBI, which has developed a Sustainable Design coaching programme.

Recycled tyre garden pots



Source: InHabitat

Market Channels and Segments

Market channels

In Europe, garden pots are commonly distributed through garden centres and DIY outlets, but also by florists and general home decor retailers, both off- and online. As market channels and segments do not differ significantly from the Home Decoration sector, please refer to [CBI Market Channels and Segments for Home Decoration](#) for a general overview.

E-commerce in home decoration items is increasing, often as a multi-channel approach combining online and offline retail. Consumers are increasingly researching and purchasing products online. They are shopping around and comparing prices on home decoration items, such as garden pots.

Considerations for action: For more information on E-commerce, please refer to the Trend Special Home Decoration and Textile: E-Commerce.

Considerations for action: For more information on trends in garden, please refer to the Trend Special Home Decoration and Textile: Garden

Market segments

Table 1: Market segments garden pots

Low: affordable and accessible	Middle: functional with style	High: 'statement'
 <p>Source: rietenbasketoutlet</p>	 <p>Source: Anthropologie</p>	 <p>Source: Vondom</p>
 <p>Source: Broste Copenhagen</p>	 <p>Source: Raeder</p>	 <p>Source: Vitamin Living</p>

The European market for garden pots is extremely segmented. Low-priced basic, undistinguished pots can be found at supermarkets, DIY and garden centres. The mid-end segments supply slightly more decorative products of higher aesthetic quality, whereas high-end segments offer sophisticated materials, design and craftsmanship.

Opportunities exist for garden pots from developing countries, especially in the higher-end market, provided that value is added by high quality design and material.

Please refer to the [CBI Market Channels and Segments for Home Decoration](#) for a general overview of market segments, as market segments for garden pots do not differ significantly from this general overview.

For an overview of prices of garden pots within these segments, please refer to the section of Prices below.

Prices

There is a very wide price range within the European market for garden pots as the product itself is broad. The prices vary based on the materials used, size of the product, design, as well as the complexity and additional features. In order to compare the prices for low to high segments, garden pots of ceramic and wood have been chosen as exemplary products. Table 2 gives an overview of the varying prices for these products. In targeting these different segments for garden pots, these prices serve as an indication.

Considerations for action: Pricing is determined by the value perception of your product in the chosen segment (see Market segments). Once you have chosen your target segment, you must offer what is expected in this segment in terms of design and other values, at a price that matches similar products. To determine your price, study the range of consumer prices in your target segment and adjust your costing accordingly.

Considerations for action: In the furniture business there is a higher level of retail importers than wholesale importers. Make sure your Terms of Trading and Payment reflect the different realities of wholesalers and retailers (whose value chain might be shorter). Different price lists may be needed for both types of importers (retail price is normally 2.5 to 3 times the price of wholesale). Some buyers may prefer to combine different orders in your country and will then require a different set of Terms, based on ex-works or other arrangements.

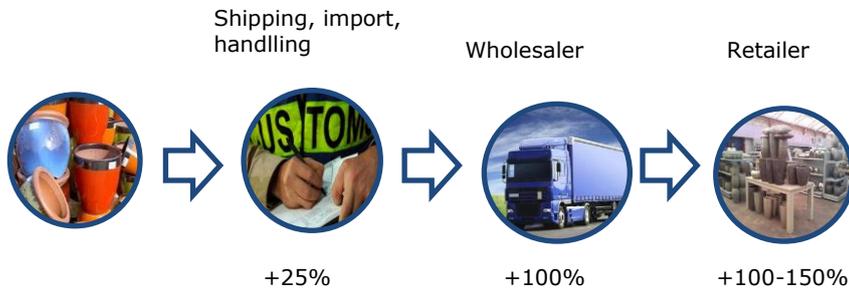
Table 2: Indicative consumer prices garden pots

	Low-end	Middle-end	High-end
Ceramic; diameter 48-50 cm	€ 15-50	€ 50-150	€ 150-375
Wood; length 80-120cm	€ 30-50	€50-200	€ 200-875

Consumer prices depend on the value perception of the consumer in a particular segment. This is influenced by the marketing mix: product benefits, promotion (brand or not, communication of product benefits), points of sale (reseller positioning), and a matching price. For consumers shopping at a garden centre price expectations will be different from those buying from a premium department store.

Considerations for action: Understand your segment and offer a correct marketing mix to meet consumer expectations. Adapt your business model to your positioning in the market.

Figure 6: Indicative price breakdown for garden pots, mark-ups in %



Source: ProFound, 2014

Agents, if they are involved, typically receive a commission of a few (2-5) percent. However, their actual profit margin strongly depends on volumes sold and gross margin. They will normally lower their gross margin for big volumes.

Considerations for action: Agents are particularly interesting if you do not have a strong sales network. You can look for commercial agents at the website of [Internationally United Commercial Agents and Brokers \(IUCAB\)](http://www.iucab.com).

Field of Competition

Please refer to [CBI Home Decoration Field of Competition](#), as the competitive field for garden pots does not differ significantly from this general overview.

Useful sources

- [UNECE](#), interesting source for marketing info and general links about the wood industry
 - [ICC](#), chamber of commerce for international trade and business
 - [WFTO](#), World Fair Trade Organization
- Garden centre guides in [Ireland](#), [the UK](#), [the Netherlands](#) and [Belgium](#), for an overview of garden centres in these countries

Trade fairs

Visiting and especially participating in trade fairs is highly recommended as one of the most efficient methods for testing market receptivity, obtaining market information and finding prospective business partners. The most relevant trade fairs in Europe for exporters of garden pots are:

- [Maison et Objet](#), every January and September; Paris, France
- [Ambiente](#), February; Frankfurt, Germany
- [Christmasworld](#), February; Frankfurt, Germany
- [Spoga gafa](#), August/September; Cologne, Germany
- [IMM](#), January 2015; Cologne, Germany

This survey was compiled for CBI by ProFound – Advisers In Development, in collaboration with

CBI sector expert Kees Bronk, GO! GoodOpportunity.

Disclaimer CBI market information tools: <http://www.cbi.eu/disclaimer>