

Bright spots following dark days

The third quarter brought sunshine to Great Britain's DIY and garden sectors, both literally and figuratively, in the form of 1.2% year-on-year value growth. This value growth has been driven by increased average prices, rather than increased demand, as most sectors remain in volume decline. The improved weather of Q3 provided better results than Q2, but the international sporting events competing with DIY projects for consumers' time and focus limited the improvement.

Decorative, pre-decorative, tool, and garden tool areas all had value growth; only garden care products faced year-on-year decline in pounds spent. Within each area, there were star performers showing relative robustness through these challenging times. Given how many factors were counterbalancing one another in this quarter, can we take these results as a bellwether for what the DIY and garden industry will look like with on-going limited property transactions?

Decorative categories were up by 2% in value terms from 2011 to 2012. Categories such as emulsion and trim paint were in value growth, serving as the stalwarts of not only decorative, but also DIY. Pre-decorative categories were nearly flat, with sealers and waterproofing having the strongest growth, likely driven by consumers undoing the damage of the deluge of 2012.

The tool sector was up by 1.5% in value year-on-year, with the recession behaviour of flight to quality at work. Key to growth within power tools are cordless hammer drills: more expensive than average drills which consumers nonetheless find tangibly beneficial.

The premium sector was also important within garden tools, with electric rotary lawnmowers being a key contributor to the 16.3% value growth for the garden tool sector. A retail landscape which is continuing to change also explains the growth, though the wet first half of the year was crucial, with grass growth fuelling sales growth of not only lawnmowers but also grass trimmers and power hedge trimmers.

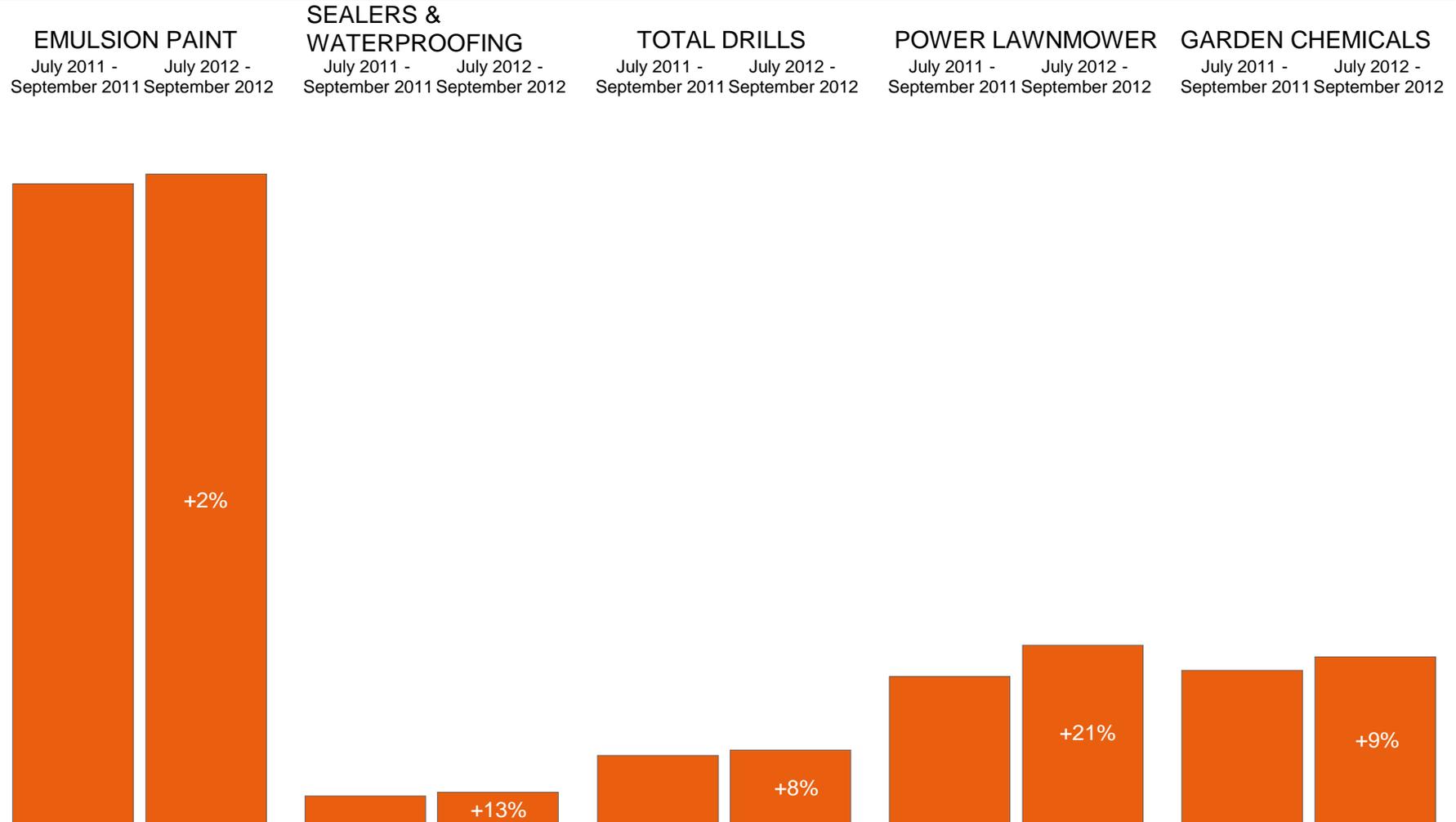
The turnaround in weather, however, occurred too late in the year to prevent decline in the garden care sector, which was down 7.6% year-on-year. Many consumers seem to be waiting until 2013 to plough back into their gardens. In the meantime, the segment of garden chemicals has had growth, driven by slug killers.

Star DIY performers in Q3 2012



Great Britain Panelmarket

July 2011 - September 2012
Sales Value GBP



Insight DIY Q3 2012



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