

THE PURDUE LANDSCAPE REPORT

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End of the Year: State of the Industry

By: Kyle Daniel, daniel38@purdue.edu

It's almost the time of the year to begin evaluating the season and looking forward to 2022 (after a trip or two to somewhere warmer for many of you) after the second of two of the busiest seasons on record. Though no one (or very few) is complaining about the glut of work available over the last couple of years, the stress to push hard for multiple seasons can cause extra stress and burn-out on administration, sales, management, and workers. It's important to keep the health, both physical and mental, in mind of your fellow employees throughout these stressful times, especially as we enter the holiday seasons. Here is an article that contains practical advice for helping to prevent burnout:

<https://www.forbes.com/sites/heidilynnekurter/2021/04/27/employers-here-are-4-ways-you-can-begin-to-effectively-tackle-employee-burnout/?sh=596b1d316009>. There are many resources available for free if you or your employees need guidance on navigating mental health. The National Alliance on Mental Illness can provide important information, which can be found here: <https://nami.org/Home>



There are several 'State of the Industry Reports' that are hot off the presses right now. Generally these reports should be taken with a grain of salt, but by analyzing multiple reports, a clearer picture can be achieved. I encourage you to participate in these annual surveys to provide a more accurate picture of the industry statistics.

The major takeaways from the recently released reports:

- Labor
- Supply chain
- Working from home
- Covid unknowns
- Fuel price fluctuations

Labor- Labor has been THE primary issue for our industry for many years, with each year becoming more important. With major changes in the H-2B program and the general labor force not engaged since Covid, labor deficiencies showcased as an even more major problem in 2021. While our industry has had more problems with labor in the past, in 2021 the entire economy (with the service industry leading) is facing labor shortages. This has in turn made the supply chain crisis worse. It doesn't appear that the labor issues in our industry will change in the immediate future unless legislation on H-2B changes in 2022. Most companies have increased wages and offered a benefit package to employees in order to attract new employees and retain current employees.

Supply chain- We all have heard about supply chain issues in the media over the last several months and its impact on purchasing items. The issue is no different with our industry, especially in the pesticide market. Many of the pesticides that are used in the US are manufactured in Asian countries. Due to the backlog of sea shipments, as well as strict Covid quarantines in some of the countries, these products aren't arriving at our ports. The shipments that do arrive at our ports have increased in price exponentially. Plan for pesticides in 2022 to be significantly more expensive than we have seen in the past.

Working from home- The Covid crisis has shaken up the workplace with many people still working from home full time or on a hybrid schedule. This has allowed homeowners to spend more time considering outdoor improvements, such as kitchens, offices, landscaping, and pools. This trend started in 2020 and has continued into 2021.

Covid unknowns- While things are beginning to normalize from Covid, no one knows if/when another wave will affect the US. While it appears that we are on the upswing from the last couple of years, there is some caution of a variant becoming a dominant

strain, thus returning much of the country into another quarantine situation again. Be sure to continue following CDC guidance at your company to reduce the spread of a potential variant.

Fuel fluctuations- Gas prices were at record lows in 2020 due to very few people travelling and commuting. There was way more supply than demand, but as things have returned to a 'more' normal, the prices have dramatically increased in 2021. Once supply catches back up with demand, prices should begin to decrease in the near future.

We should all be thankful for the successes of the Green Industry right now. For those of us that saw the late 2000's, we're in a completely different place for the better these days. There are always challenges, but our industry looks primed to have another record breaking year in 2022. Good luck and take some much needed rest over the winter.

Below are several state of the industry reports for 2021. These reports will give you an idea about what our industry will face in 2022 and how other companies stack up against your company.

Lawn and Landscape 2021 State of the Industry Report

https://giecdn.blob.core.windows.net/fileuploads/document/2021/10/06/soi%202021_october_hi%20res-compressed.pdf

<https://www.lawnandlandscape.com/article/state-of-industry/>

IBIS World

<https://www.ibisworld.com/industry-statistics/market-size/landscaping-services-united-states/#:~:text=The%20market%20size%2C%20measured%20by,is%20%24105.1bn%20in%202021.&text=The%20market%20size%20of%20the%20Landscaping%20Services%20industry%20is,decline%20%2D0.2%25%20in%202021>

<https://www.ibisworld.com/united-states/market-research-reports/landscaping-services-industry/>

State of the Snow Labor Market

<https://www.lawnandlandscape.com/article/filling-in-the-ranks/>

LandPro State of the Landscape Industry: 2021

<https://nipgroup.com/resources/industry-reports/landscaping/>

Mordor Intelligence US Landscaping Market

<https://www.mordorintelligence.com/industry-reports/united-states-landscaping-market>

Garden Center Magazine 2021 State of the Industry Report

<https://www.gardencentermag.com/keyword/state-of-the-industry/>

Nursery Management Magazine 2021 State of the Industry Report

<https://www.nurserymag.com/keyword/state-of-the-industry/>

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