

Furniture Retailing - UK - December 2014

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“Some furniture retailers have taken advantage of the availability of retail outlets to step up their expansion plans, while other major companies have been rationalising and closing units. Shoppers will be more clued up about the furniture they want to see because they will have narrowed down their choices online.”
– Jane Westgarth, Senior Market Analyst

This report looks at the following areas:

- What is the shopping journey for furniture?
- What is the ideal size for a furniture chain?
- What is the role of furniture brands in furniture retailing?

There have been sweeping changes in the furniture retailing sector in recent years because of a downturn in demand. Several groups have been through rationalisation or administration and some famous names have closed their doors. MFI, a major presence in furniture in the UK, went out of business in 2008 and other big names followed including Land of Leather. We also saw HomeForm Group go into administration in 2011 and the subsequent buyout of Sharps, the fitted bedroom furniture specialist. Habitat was another casualty, subsequently bought by Home Retail Group as part of its strategy to develop exclusive brands. And the once-promising Dwell also ran into difficulties and the remaining business has been bought by DFS. The UK's biggest bed retailer, Dreams, over-extended itself and was bought out of administration by Sun European Capital, adding to its stable of furniture retailers which also includes ScS (sofas and carpets) as well as Sharps.

Howdens Joinery (with a trade-only model) and Wren Living stepped in to fill the gap created by MFI and other companies have also expanded furniture within their product mix including John Lewis, Tesco and Next. Meanwhile Homebase and IKEA among others have invested in better ranges, stronger branding and more comprehensive services including online selling. And Steinhoff has streamlined its UK furniture operations and is rolling out a successful new store design which incorporates Bensons for Beds.

Even through tough times there have been some remarkable successes, notably the high growth of Oak Furniture Land, The Range, DFS and Sofaworks. And Jysk, a major Scandinavian retailer, is expanding its UK presence.

This report examines furniture retailing, profiles the largest furniture retail companies and examines consumer attitudes towards shopping for furniture.

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This report is part of a series of reports, produced to provide you with a more holistic view of this market

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