

Furniture Retailing - UK - August 2010

Report Price: £1500 / \$2310 / €1793



What is this report about?

Sales of furniture were hit hard in 2008 and 2009 by a combination of fewer housing transactions and the recession. With lower consumer confidence, more people delayed replacing furniture items and there were also fewer first-time buyers purchasing. Such conditions, combined with less financial support to furniture retailers, resulted in some major collapses, including MFI and Land of Leather.

The main challenge for the specialists is to reduce the heavy emphasis on price reductions and the sales, but this is difficult when furniture buying is such an infrequent purchase and sales are needed to drive footfall to stores. The non-specialists have the benefit that they already have shoppers looking for other products, making it easier to focus on quality, service and value.

What have we found out?

- Just under half of adults (25 million) look for lasting quality when deciding where to buy furniture. Retailers need to prove their quality credentials through inviting customer reviews and demonstrating how items can stand up to heavy usage, including the kids.
- Service is also important and four in ten adults (20 million) are influenced by the presence of knowledgeable and helpful staff when choosing between stores. The role of staff needs to be one of consultant rather than sales person, identifying customer needs and coming up with a shortlist of best options.
- Visiting showrooms is a key part of the multichannel buying process for furniture. Four out of ten adults (20 million) visit a number of furniture stores before buying, so there is an opportunity for retailers to make visiting a showroom more of an experience in itself through making them look and feel more like a home.
- More than a third of adults (18 million) browse websites before buying in a store, while a fifth (10 million) browse and purchase online. There is scope to grow the number of purchasers for certain types of product, but furniture needs to be brought more alive through the use of pictures and videos that present it in the context of the home rather than on a blank page.
- To shorten replacement cycles for furniture, retailers need to target the needs of different lifestages with particular product ranges or put a heavier emphasis on particular features for certain groups such as young adults still living at home, new families or empty nesters.
- Lessons could be taken from the fashion market in terms of helping customers 'create a look for less'. Redecoration of a room (33%) and wanting a new look/style (30%) are important reasons for buying furniture, so furniture retailers should focus on helping customers create a complete home interiors look, including furniture, on a limited budget.

Your business guide towards growth and profitability

Mintel Oxygen is your one-stop shop for market and consumer analysis. It is designed to help you stay on top of market sizes, shares and forecasts, consumer trends, brand profiles and product innovation.

Use Mintel Oxygen to:

- Access fresh market intelligence every day
- Drive your business forward based on consumer trends
- Support your decision-making
- Benchmark competitive activity
- Stand out in new business pitches

If you have any questions or require further information, send an email to oxygen@mintel.com or call one of our regional offices:

EMEA: +44 (0)20 7778 7151
Americas: +1 (312) 932 0600
APAC: +61 (0)2 8284 8100