

Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"The living and dining room furniture market maintained growth in 2018, sustained by the return of real wage growth and a surprising resilience among the consumer base in the face of continued Brexit headwinds."

- Marco Amasanti, Retail Analyst

This report looks at the following areas:

- The need for multipurpose living spaces drives a growing expectation for furniture to do more
- Another administration underlines ongoing challenges in the marketplace for furniture retailers
- The opportunity for premium furniture services

Within the market, there is a growing need for flexible furniture in response to evolving demands of modern living. The year ahead is less certain, however, as is how the exit from the EU impacts consumer confidence and the housing market.

BUY THIS REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533

> Brazil 0800 095 9094

Americas +1 (312) 943 5250

China +86 (21) 6032 7300

_{АРАС} +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

DID YOU KNOW?

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



Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview What you need to know

Products covered in this Report

Executive Summary

The market

Market growth slows amid some uncertainty

Figure 1: Consumer spending on living and dining room furniture, 2014-24

Brexit headwinds set to subdue growth

Companies and brands

Specialist stores lead sales, two retailers fall into administration...

...but online channels continue to grow

DFS remains the market leader, with IKEA close behind

The consumer

Ownership of separate living rooms is over double that of dining rooms Figure 2: Type of living room, August 2019

Consumers are expecting more from their living and dining rooms

Figure 3: Use of living and dining space, August 2019

Spending peaks among younger shoppers

Figure 4: What they spent on living and dining room furniture, August 2019

Living room, and sofas, dominate purchases

Figure 5: Living and dining room furniture purchases, August 2019

The growing need for flexibility

Figure 6: Attitudes towards living and dining room furniture, August 2019

Figure 7: Interest in living and dining room furniture, August 2019

What we think

Issues and Insights

The need for multipurpose living spaces drives a growing expectation for furniture to do more

The facts

The implications

Another administration underlines ongoing challenges in the marketplace for furniture retailers

The facts

The implications

The opportunity for premium furniture services

The facts

The implications

The Market – What You Need to Know

BUY THIS REPORT NOW



Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Market growth slows amid some uncertainty

Market Size and Forecast

Market growth slows amid some uncertainty

Brexit headwinds set to subdue growth

Figure 8: Consumer spending on living and dining room furniture, 2014-24

Figure 9: Consumer spending on living and dining room furniture, 2014-24

Market segmentation

Figure 10: Consumer spending on living and dining room furniture, estimated breakdown by category, 2018

Forecast methodology

Market Drivers

Housing transactions cool for a second year...

Figure 11: Number of residential housing transactions over £40,000, 2009-18

Figure 12: Monthly change in the number of residential housing transactions over £40,000 compared to the previous year, January 2018-July 2019

...but the number of households continues to rise

Figure 13: Number of UK households, 2013-23

Consumer confidence remains resilient despite uncertainty

Figure 14: Consumer confidence in the state of finances and their finances compared to the previous year, January 2017-July 2019

Figure 15: Spending on the home, actions and intentions, January 2017-August 2019

Inflation returns to stability following 2017 spike

Figure 16: Annual rate of inflation, 2007-18

Figure 17: Inflation, July 2018-July 2019

Nearly a fifth of households are now privately renting

Figure 18: Housing stock in England, by tenure, 1998-2018

Three quarters of consumers live in a house

Figure 19: Type of dwelling lived in, August 2019

Consumers appear confident of taking on credit

Figure 20: Consumer credit excluding student loans, August 2017-July 2019

Figure 21: Availability of consumer credit to households, Q1 2012-Q2 2019

Companies and Brands – What You Need to Know

Specialist stores lead sales, two retailers fall into administration

Online continues to grow its share

DFS remains the market leader, with IKEA close behind

Technological innovations changing the shape of furniture

Advertising spend falls 1.6% in 2018

Channels of Distribution

Specialist stores remain the largest channel, despite administrations Department stores slip up slightly amid high street challenges Online share creeps up

BUY THIS REPORT NOW



Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 22: Estimated channels of distribution for living and dining room furniture, 2018

Market Share

DFS and IKEA consolidate at the top

John Lewis and M&S lose share as high street footfall drops

Online players appear on the horizon

Figure 23: Estimated market shares of the living and dining room furniture market, 2018

Launch Activity and Innovation

Harth reimagines furniture rental Figure 24: Harth range, September 2019

3D print it

Figure 25: 3D printing, September 2019

Sofa in a box

Figure 26: Snug Shack 'sofa in a box', September 2019

Chesterfield's 'Vegan' Sofa

Smart-tech living and dining room furniture

Manufacturer Profiles

Devonshire Pine & Oak

Figure 27: Devonshire Pine Limited financial performance, 2017 and 2018

Ekornes

Figure 28: Ekornes financial performance, 2016 and 2017

Ercol Furniture Limited

Figure 29: Ercol Furniture Limited financial performance, 2016 and 2017

Furnico Furniture Limited

Figure 30: Furnico Furniture Limited financial performance, 2017 and 2018

JDP Furniture Group Limited

Figure 31: JDP Furniture Group Limited financial performance, 2017 and 2018

Sherborne Upholstery Limited

Figure 32: Sherborne Upholstery Limited financial performance, 2017 and 2018

1869 Limited

Figure 33: 1869 Limited financial performance, 2017 and 2018

Westbridge Furniture Designs Limited

Figure 34: Westbridge Furniture Designs Limited financial performance, 2016 and 2017

Advertising and Marketing Activity

Advertising spend falls 1.6% in 2018

Figure 35: Total above-the-line, online display and direct mail advertising expenditure on living and dining room furniture, 2014-18

DFS continues to dominate spending

Figure 36: Total above-the-line, online display and direct mail advertising expenditure on living and dining room furniture, by retailer, 2018

Adspend falls among leading retailers

BUY THIS REPORT NOW



Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 37: Total above-the-line, online display and direct mail advertising expenditure on living and dining room furniture, by retailer,

Figure 38: Share of total above-the-line, online display and direct mail advertising expenditure on living and dining room furniture, by retailer, 2014-18

TV accounts for two thirds of expenditure...

Figure 39: Total above-the-line, online display and direct mail advertising expenditure on living and dining room furniture, by media type, 2018

...having grown its hold in recent years

Figure 40: Proportion of above-the-line, online display and direct mail advertising expenditure on living and dining room furniture, by media type, 2014-18

Leading retailers adopt a number of different strategies

Figure 41: Above-the-line, online display and direct mail advertising expenditure on living and dining room furniture, by media type and advertiser, 2018

Campaign highlights

Sofology chooses Owen Wilson to lead advertising charge

Harveys partners with Louise Redknapp

DFS celebrates 50th anniversary with Aardman Animations studio

Swoon launches debut TV campaign

Nielsen Ad Intel coverage

The Consumer – What You Need to Know

Ownership of separate living rooms is over double that of dining rooms

Consumers are expecting more from their living and dining rooms

Spending peaks among younger shoppers

Living room, and sofas, dominate purchases

The growing need for flexibility

Types of Living Space

The majority still enjoy a separate living room... Figure 42: Type of living room, August 2019

...but just over a quarter of consumers have a separate dining room

Figure 43: Type of dining room, August 2019

Homeowners enjoy more space

Figure 44: Type of dining room, by dwelling type, August 2019

Use of Living Space

Consumers are expecting more from their living and dining rooms

Figure 45: Use of living and dining space, August 2019

Changing needs for the living space driven by younger consumers

Figure 46: Use of living and dining space, by age, August 2019

Figure 47: Use of living and dining space, by age, August 2019

The need for workspaces amid the rise of working from home

What They Spent

More than half of consumers did not buy any furniture in the past year

Figure 48: What they spent on living and dining room furniture, August 2019

Spending peaks among 16-34 year olds, but 35-44s are central to large purchases

BUY THIS REPORT NOW



Report Price: £1995.00 | \$2693.85 | €2245.17

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 49: What they spent, by age, August 2019

New movers tend to focus more on essential, cheaper furniture Figure 50: What they spent, by duration in current home, August 2019

Homeowners spearhead spending

Figure 51: What they spent, by dwelling type, August 2019

Living and Dining Room Furniture Purchases

The living room dominates recent purchases

Figure 52: Living and dining room furniture purchases, August 2019

Figure 53: Living and dining room furniture purchases, by duration in current home, August 2019

Demand for dining room furniture varies according to space in the home Figure 54: Living and dining room furniture purchases, by dwelling type, August 2019

Homeowners buy more furniture

Figure 55: Living and dining room furniture purchases, by tenure, August 2019

Over a third of shoppers purchased three or more items of furniture

Figure 56: Living and dining room furniture purchases, repertoire, August 2019

Attitudes towards Living and Dining Room Furniture

Comfort reigns supreme...

...but its importance varies by age

Figure 57: Attitudes towards living and dining room furniture, August 2019

The appeal of flexibility greatest among flat owners

Figure 58: Attitudes towards living and dining room furniture, by dwelling type, August 2019

Priorities for furniture differ significantly with age

Figure 59: Attitudes towards living and dining room furniture, by age, August 2019

The need for stores is falling among younger shoppers

Figure 60: Agreement with the statement "It's necessary to visit a store when purchasing premium items of living/dining room furniture (ie £500+)", by age, August 2019

Interest in Living and Dining Room Furniture

Rapid development in visualisation technologies

Consumers opening up to the idea of built-in technologies

New movers seek design guidance

Figure 61: Interest in living and dining room furniture, August 2019

The growing opportunity for premium furniture rental services

Figure 62: Interest in the statement "Living/dining room furniture that could be rented rather than bought outright", by household income, August 2019

Appendix - Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

Appendix – Market Size and Forecast

Forecast methodology

BUY THIS REPORT NOW