

Beds and Bedroom Furniture: Inc Impact of COVID-19 - UK - November 2020

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“COVID-19 will see sales drop in 2020, driven by a reduced appetite for big-ticket items, store closures, reduced credit uptake and a turn away from built-in furniture amid ongoing anxiety.”

– Marco Amasanti, Retail Analyst

This report looks at the following areas:

- The impact of COVID-19 on beds and bedroom furniture.
- How this disruption will change demand in the short, medium and long term.
- Opportunities for bedroom retailers amid this disruption.
- Performance of the leading bedroom specialists and non-specialists in the past year.
- The growing opportunity for wellbeing in the beds market.

Similar to wider furniture sectors, COVID-19 is set to have a profound impact on the bedroom market, with sales set to drop by an estimated 12.5% in 2020. Although this has it outperforming other sectors, such as kitchens and bathrooms, the market will nonetheless be hit heavily as consumers withhold, delay or redirect expenditure. In fact, 34% of consumers have delayed purchasing beds and bedroom furniture until after the outbreak. However, spending is then forecast to return to growth by 2021, before nearing pre-outbreak levels by late 2022 or 2023.

The impact of this disruption of the past year is set to be greatest at the higher end of the market, where the reduced appetite for bigger-ticket purchases is hindered by store closures and ongoing anxiety on the high street. Furthermore, within the market, the shape of demand has changed, as consumers turn away from often bigger-ticket, built-in bedroom furniture amid this continued fear of exposure.

However, despite being unable to offset total decline, there will, nonetheless, be new opportunities for growth amid this disruption. Foremost in this, extended periods inside have caused a rise in flexible living, and bedrooms come under a wave of new demands, whether to serve as spaces to work, exercise or home-school. These new pressures have driven sales for multi-functional furniture solutions, while the shift to working from home and increased childcare have boosted sales of work-friendly furniture, storage and bunk beds.

Moving forward, extended periods inside will see people reassess these living spaces and prioritise them in future spending, buoyed by expenditure saved elsewhere, such as in travel, clothing and entertainment. However, this remains subject to ongoing uncertainty, the volatility of which was highlighted by England's second lockdown in November; although, the fallout from this could be eased by the recent development of effective vaccines.

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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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