

THE WORLD HIGH-END FURNITURE MARKET



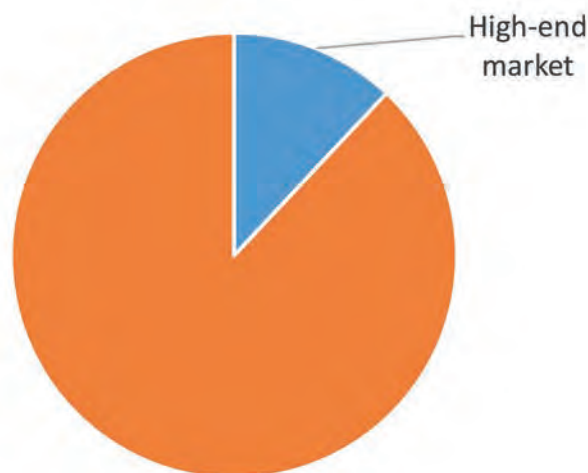
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Anywhere in the world, the high-end furniture segment follows its own patterns, that are partially tied to the development of the whole furniture sector and partially detached from it. At the same time, product innovations and design concepts proposed by high-end furniture manufacturers are pursued by other producers, so that the moves of high-end players often impact on the overall industry.

MARKET SHARE

This year CSIL has investigated on this segment, depicting its main features and key trends at global level. According to CSIL estimates, **the world high-end furniture market accounts for approximately 10%** of

SHARE OF THE HIGH-END FURNITURE MARKET
OUT OF THE TOTAL, IN TERMS OF VALUE. %



the global furniture market, in terms of value (see graph).

This estimate refers to a wide perimeter, that includes the large variety of players who participate in this sector: Industrial companies focused on high-end, companies focused on middle/middle-high range but including a premium range in their portfolio, craftsmen, companies focused on design furniture, as well as those focused on classic.

CONSUMPTION PATTERNS

When it comes to the profile of high-end furniture consumers, differences emerge across different areas of the world.

European consumers are those more tilted towards design/contemporary style, whereas in North America the appeal of classic furniture confirms to be stronger, on average. The same is true for China, where traditional rosewood furniture is still much appreciated by some affluent consumers' groups. North American and Chinese consumers also share a particularly high degree of 'digitization', and the role played by social media and influencers is now more important than ever.

In the world there are currently **over 50 millionaires**, whose number is forecast to increase by an average yearly growth of over 8% in the next years.

This bodes well for the future development of the high-end furniture sector, whose customer base is increasing fast, especially (but not exclusively) thanks to the expected quick increase in the number of affluent consumers in Asia-Pacific.

OUTLET MARKETS

Looking at the high-end destination markets, **most of the high-end furniture market is absorbed by residential consumers, but the role of non-residential market is relevant, too.** In particular, hospitality premises and luxury shops (shopfitting) are among the most important segments for high-end furniture, within the non-residential market.

Before the pandemic, the non-residential high-end furniture market was growing fast and proved to be an important outlet market for many luxury furniture companies.

This also mirrored in the fact that many players in the middle-to-high end furniture have been entering this market and competition over the years has increased. However, the outbreak of the pandemic interrupted this trend, as some important non-residential segments experienced a sudden decrease of demand.

Nowadays, the recovery seems underway, especially in some markets. In particular, the luxury yacht segment is among the best performing ones. Within the frame of the pandemic, more intimate, private luxury experiences have been preferred, and luxury yachts meet this need at best.