

Entering the European market for garden furniture

Last updated:

23 November 2023

The European market for garden furniture offers opportunities, but competition is strong. The mid- to high-end segments are most promising for you, as mass-producing countries dominate the lower ends of the market. To appeal to these consumers, you need to add value to your products through design, craftsmanship and sustainability. You must meet mandatory (legal) requirements, as well as any additional requirements your buyers may have.

Contents of this page

1. [What requirements must garden furniture comply with to be allowed on the European market?](#)
2. [Through what channels can you get garden furniture on the European market?](#)
3. [What competition do you face on the European garden furniture market?](#)
4. [What are the prices for garden furniture?](#)

1. What requirements must garden furniture comply with to be allowed on the European market?

The following requirements apply to garden furniture in the European market. For a more detailed overview, see our study on [buyer requirements for Home Decorations and Home Textile \(HDHT\)](#).

What are mandatory requirements?

When exporting to Europe, you must meet the following legal requirements:

- General Product Safety Directive / General Product Safety Regulation;
- Restricted chemicals: REACH;
- Timber Regulation / Deforestation Regulation;
- Packaging legislation; and
- Intellectual property rights.

General Product Safety Directive / General Product Safety Regulation

According to the [General Product Safety Directive](#) (GPSD, 2001/95/EC), all non-food products marketed in the European Union (EU) must be safe to use. In April 2023, the [European Council adopted a new regulation](#) to replace the GPSD. This [General Product Safety Regulation](#) (GPSR, EU 2023/988) will ensure that products in the EU meet the highest safety requirements, whether sold online or in traditional shops. It came into force in June 2023 and will apply from December 2024 onwards.

The [European Committee for Standardisation](#) (CEN) has developed [3 product standards for outdoor furniture](#):

- EN 581-1: general safety requirements for outdoor furniture;
- EN 581-2: mechanical safety requirements and test methods for outdoor seating;
- EN 581-3: mechanical safety requirements for outdoor tables.

These standards clarify what is deemed 'safe' for these specific product types. Adhering to them can help you

meet EU product safety legislation. Unsafe products are rejected at the European border or withdrawn from the market. The EU uses the [Safety Gate](#) system to list and share information about such products.

Tips:

Read more about the [General Product Safety Directive](#) and the new [General Product Safety Regulation](#).

Make sure to meet the new General Product Safety Regulation by December 2024.

Familiarise yourself with the EN 581-series of standards for outdoor furniture and comply with those that apply to your products.

Use your common sense to ensure that normal use of your product does not cause any danger.

Search the [Safety Gate alerts](#) for garden furniture for an idea of what issues may arise.

Restricted chemicals: REACH

The [REACH](#) regulation (EC 1907/2006) provides a list of restricted chemicals in products that are marketed in Europe.

Restricted chemicals in the production of garden furniture include:

- Arsenic and creosotes as wood preservatives; and
- Cadmium compounds in various applications.

Tips:

Make sure you comply with the restrictions for the use of chemicals as laid down in [REACH](#).

Familiarise yourself with the full list of restricted substances in products marketed in Europe via the [Access2Markets](#) platform.

For information and tips from the European Chemical Agency (ECHA), see for instance [REACH Annex XVII](#) (a list of all restricted chemicals), [information for non-EU companies](#) and [questions & answers](#).

Timber Regulation (EUTR)/ Deforestation Regulation (EUDR)

The [EU Timber Regulation](#) (EUTR - EU 995/2010) aims to counter illegal logging by banning illegally harvested timber products from the EU market. This includes wooden furniture. European buyers have to exercise 'due diligence' to prove that any timber used in their products was harvested legally. You must be able to provide them with information like the tree species, the origin of the wood and proof of compliance with national laws and regulations. Products with a [FLEGT](#) or [CITES](#) licence are exempt from the due diligence obligation.

In May 2023, the [European Council adopted a new regulation](#) to replace the EUTR. This [Deforestation Regulation](#) (EUDR) will ensure that wooden products like furniture do not contribute to deforestation and forest degradation. Operators who place these products on the EU market will be required to trace them back to the plot of land where they were produced.

To be allowed onto the European market, covered products must be:

- Deforestation-free (from land that has not been subject to deforestation or forest degradation after 31 December 2020);
- Produced in accordance with the law of the country of production;
- Covered by a due diligence statement.

The new regulation came into force in June 2023 and will apply from December 2024 onwards. It should also recognise FLEGT-licensed products but does not contain an exception for CITES-licensed products.

Tips:

Read more about the [EUTR](#) and the new [Deforestation Regulation](#).

For more information on FLEGT, see the [FLEGT Licence Information Point](#).

Packaging legislation

The EU's [Packaging Directive](#) (94/62/EC) aims to prevent or reduce the impact of packaging and packaging waste on the environment. Buyers may therefore ask you to minimise the use of packaging and/or to use sustainable (recycled) materials.

The EU's [Circular Economy Action Plan](#) identifies packaging as a sector that uses the most resources, with a high potential for circularity. By 2030, all packaging on the EU market should be reusable or recyclable in an economically viable way. To help achieve this, a new Packaging and Packaging Waste Regulation (PPWR) is in the works.

Europe also has [requirements for wood packaging material and dunnage](#) (WPM) used for transport, such as packing cases and pallets. The goal is to prevent organisms that are harmful to plants or plant products from entering and spreading within the EU.

Tips:

For more information, see the EU's [packaging and packaging waste legislation](#) and [wood packaging material factsheet](#).

Stay up to date on the [proposal for a new regulation](#).

Intellectual property rights

When you develop products for the European market, you have to make sure you do not copy an existing design. So-called [intellectual property \(IP\) is protected in Europe](#), and products that violate IP rights are banned from the market. For this reason, the European Commission adopted an [IP action plan](#) that should give European companies easier access to fast, effective and affordable protection tools.

Tips:

For more information, see the [European Union Intellectual Property Office \(EUIPO\)](#) and the [World Intellectual Property Office \(WIPO\)](#).

Keep track of developments in Europe via the [state-of-play of the implementation of the key actions](#) mentioned in the IP action plan.

What additional requirements do buyers often have?

Buyers often have additional requirements on sustainability, labelling and packaging and payment and delivery terms.

Be (more) sustainable

Social and environmental sustainability are becoming more and more common requirements in the European HDHT market. Environmental sustainability focuses on the impact your company has on the environment. Think of aspects such as the sustainability of your raw materials and production processes. For example, you can use renewable and sustainably produced natural materials and dyes to minimise your negative impact.

Social sustainability focuses on the impact that your company has on the wellbeing of your workers and the community. Issues like fair wages and safe working conditions are key topics.

You can highlight your sustainable activities and policies in the “story” behind your product and company. Buyers appreciate good storytelling so that their customers can get an emotional connection with your products.

Consumers value sustainability

The increasing importance of sustainability is reflected in a recent Maison et Objet Barometer, where **62% of HDHT retailers have noticed growing interest from their customers in ethical products**. They indicate that 92% of their customers think natural materials are (very) important, 77% value socially responsible production methods, and 71% care about recyclable/recycled materials.

A growing number of European buyers would like you to comply with the following schemes:

- **Business Social Compliance Initiative (BSCI)**: an initiative of European retailers to improve social conditions in sourcing countries. They expect their suppliers to comply with the [BSCI Code of Conduct](#).
- **Ethical Trading Initiative (ETI)**: an alliance of companies, trade unions and voluntary organisations. ETI aims to improve the working conditions in global supply chains via their [ETI Base Code of labour practice](#).
- **Sedex**: a membership organisation striving to improve working conditions in global sourcing chains. The [Sedex platform](#) lets you share your sustainable performance, based on a self-assessment.

You can learn about sustainable options from standards such as [ISO 14001](#) and [SA 8000](#). However, only niche market buyers demand compliance with such standards.

Avoid greenwashing - be honest about your sustainability

Being honest about your sustainability is very important. Buyers and consumers must be able to trust you. However, companies often pretend to be doing more for the environment than they really are – so-called 'greenwashing'. In a recent European screening of websites, national consumer protection authorities had reason to believe that [many green claims were exaggerated, false or deceptive](#). This explains why [Europeans do not have much faith in sustainability claims](#).

Sources that can help you communicate your sustainable performance honestly and effectively include:

- the [guidelines regarding sustainability claims](#) by the Netherlands Authority for Consumers and Markets
- the [guidance for businesses on making environmental claims](#) by the British Competition and Markets Authority

Tips:

Optimise your sustainability performance. Study the issues included in the initiatives such as [BSCI](#) and [ETI](#) to learn what to focus on.

If you can show your sustainability performance, this may give you a competitive advantage. You can use self-assessments like the [BSCI Producer Self-Assessment](#), or a code of conduct such as the [ETI Base Code of labour practice](#).

For more information, see our special [study on sustainability in HDHT](#).

See the ITC Standards Map for more information on [BSCI](#), [ETI](#), [Sedex](#) and [SA8000](#).

For more information on European developments in the field of human rights and sustainability, see the [proposal for a Directive on corporate sustainability due diligence](#). This Directive requires larger companies to identify and – where necessary – prevent, end or reduce negative impacts of their activities on human rights and the environment.

Label products and packaging correctly

The information on the outer packaging should match the packing list sent to the importer.

Outer packaging labels should include:

- Producer name;
- Consignee name
- Quantity;
- Size;
- Volume; and
- Caution signs.

Your buyer will specify what information they need on the product labels or on the item itself, such as logos or 'made in...' information. This is part of the order specifications. In Europe, [EAN](#) or [barcodes](#) are commonly used on the product label.

Package your products properly

Importer specifications

You should pack garden furniture according to the importer's instructions. Importers have their own specific requirements for packaging materials, filling boxes, palletisation, and stowing containers. Always ask for the importer's order specifications. These are part of the purchase order.

Damage prevention

Proper packaging minimises the risk of damage caused by shocks. How an item is packaged for export depends on how easily it can be damaged. Packaging should make sure the items inside a cardboard box cannot damage each other. It should also prevent damage to the boxes when they are stacked inside the container. Some buyers prefer furniture to be crated, others accept wrapping in corrugated cardboard without an outer carton.

If you produce wooden furniture, you need to properly dry the wood after production to prevent mould or cracks. Condensation inside the container during transport can also cause mould. This is due to humid air that becomes colder at night and warmer during the day. Good air ventilation inside the container can prevent this, so you must inspect containers for air holes before shipment. You can also place products that reduce humidity amongst the cargo. Make sure to follow the importer's instructions.

Dimensions and weight

Packaging must be easy to handle in terms of size and weight. Standards are often related to labour regulations at the point of destination and must be specified by the buyer.

Cost reduction

Boxes are usually palletised for air or sea transport, and you have to maximise the use of pallet space. As garden furniture can take up a lot of container space, nesting, stacking or flat-packing the items inside the container can reduce costs. Consider this when designing your products.

Packaging has to provide maximum protection, but you must also avoid using excess materials or shipping 'air'. Waste removal is a cost for buyers.

You can reduce the amount and diversity of packing materials by:

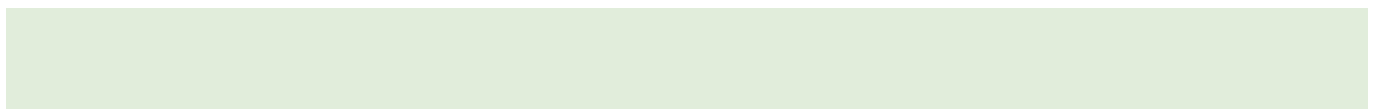
- Partitioning inside the boxes, using folded cardboard;
- Matching inner and outer boxes by using standard sizes;
- Considering packing and logistical requirements when designing your products;
- Asking your buyer for alternatives.

Material

Importers are increasingly banning wooden crating and packaging. Economical and sustainable packaging materials are more popular. Using biodegradable packing materials can be a market opportunity. Some buyers may even demand it.

Consumer packaging

Consumer packaging for garden furniture should make it relatively easy to transport the product home from the retailer. It usually comes in the form of a carton, which can be the original export packaging or a box provided by the retailer.



Tips:

Always ask for the importer's order specifications, with their packaging and labelling requirements.

See [Packaging Europe](#) for more information on the latest packaging developments, including updates about biodegradable packaging.

Agree upon payment and delivery terms with your buyer

Payment terms are usually agreed upon with the buyer in the order contract. They vary from buyer to buyer and are related to the volume and value of the order, the type of distribution partner, whether or not an agent is involved, and what delivery terms apply.

Delivery terms, known as [Incoterms](#), depend on the type of distribution partner and their preferences regarding physical distribution. HDHT importers generally prefer Free On Board (FOB) or Free Carrier (FCA) arrangements.

Tips:

See our [tips to organise your export](#) for more information on payment and delivery terms.

Study the different types of Incoterms, including what your and your buyer's rights and obligations are.

See our [study on terms & conditions](#) for a more elaborate overview, how to work with them, and the benefits of having your own.

What are the requirements for niche markets?

Fair-trade practices and sustainability certification are the most common niche market requirements.

Fair trade

The concept of fair trade supports fair pricing and improved social conditions for producers and their communities. Fair-trade certification can give you a competitive advantage, especially if the production of your items is labour-intensive. This certification often includes aspects of environmental sustainability as well.

Common fair-trade certifications are issued by the [World Fair Trade Organisation](#) (WFTO) and [Fair for Life](#). For most fair-trade-oriented buyers in Europe however, simply complying with WFTO's [10 principles of fair trade](#) is enough.

Figure 1: Desser – Fairly produced handcrafted rattan (outdoor) furniture

Source: [Desser @ YouTube](#)

Tips:

Ask buyers what they are looking for. Especially in the fair-trade sector, you can use the story behind your product for marketing purposes.

Determine which certification programme would be the best fit for you, and apply for it if you can.

If certification is not feasible, work according to [WFTO's principles](#) without being officially guaranteed or certified. Carefully document your company processes so you can support your story.

Check the ITC Standards Map database for more information on [Fair for Life](#).

Sustainable wood

[FSC](#) (Forest Stewardship Council) certification is the most common label for sustainable wooden products, including garden furniture. [FSC chain of custody certification](#) guarantees that a product's source material comes from responsibly managed forests. These products are especially popular in Western European markets. Non-timber forest products like rattan and bamboo can also be certified.

[PEFC](#) (Programme for the Endorsement of Forest Certification) is another option. Like with FSC, the [PEFC chain of custody certification](#) verifies that the forest-based material in a product comes from sustainably managed forests.

Because these certification programmes are aligned with the EUTR, they can help you to show compliance. Both are committed to ensuring alignment with the new EUDR as well.

Tips:

For more information on the application process, see the [five steps towards FSC certification](#) and/or [how to become PEFC Certified](#).

If you use recycled wood, apply for the [FSC Recycled label](#).

See FSC's brochure on [the value of FSC for furniture](#).

For more information about these standards' alignment with the EUDR, see their webinars on [FSC and the EUDR](#) and [PEFC's active engagement in the new EUDR](#).

Read more about [FSC](#) and [PEFC](#) in the ITC Standards Map.

2. Through what channels can you get garden furniture on the European market?

The European market for garden furniture is segmented into low-, mid- and high-end (premium) market segments. The items are put on the market through the traditional channels: importers/wholesalers that supply to retailers, as well as retailers that buy directly from suppliers.

How is the end market segmented?

Figure 2: Garden furniture market segmentation in Europe



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

Low-end market

The lower end of the market aims to keep prices friendly and design simple to suit a broad pool of consumers. The focus is on functionality, especially related to how weatherproof and how easy to clean the furniture is. Consumers in this segment therefore often prefer synthetic or well-coated natural materials. Designs are generally basic to suit everybody's garden or patio. The offer usually comes in sets, to allow for a one-stop shop. Typical retailers in this segment are [Castorama](#) and [JYSK](#).

As price is key in this segment, this market is dominated by mass-produced items. This limits your opportunities, especially since you have to compete with China and, increasingly, with European producers. The mid- and higher-end segments in garden furniture are more promising for you.

Mid-end market

In mid-market garden furniture, functionality and style go hand in hand. This consumer expects proper ergonomics and a contemporary look. Designs need to be in line with the current trends communicated by magazines, mid-market brands and tv shows, or fit in with an accepted mid-market style such as 'rustic' or 'romantic'. With a garden set that looks 'now', mid-market consumers can express their taste. Important players in this market are garden centres such as [Intratuin](#), and furniture and interior stores like [Habitat](#).

As consumers like to create a coherent look, garden furniture is often bought as a set. Price is still important. In the mid-high market for garden furniture, durability and sustainability add value. This segment offers you the most opportunity.

High-end / premium market

Consumers at the higher end of the garden furniture market are either quite independent and less influenced by marketing, or driven by the idea that the higher the price, the more tasteful the purchase. The former select their garden furniture based on what they like and how it allows them to 'curate' their garden set. They prefer high quality in terms of durability and innovative design, and increasingly a sustainable offer (such as certified or recycled wood). The latter pick from high-end retail or hire an interior decorator. They shop less consciously.

Brands play a role in this segment, which can be in the form of luxury department stores such as [Harrods](#) and garden furniture retailers like [Moda Furnishings](#). These types of brands can offer you opportunities. Often, high-end furniture brands now also offer outdoor sets.

Through what channels does garden furniture end up on the end market?

The channels through which garden furniture is put on the market follow the traditional HDHT patterns: import takes place via importers/wholesalers that supply to retailers. Larger retail chains often bypass the importers/wholesalers and import themselves, while more and more smaller retailers have also started buying directly from the supplier. In some cases, buying agents play a role.

Figure 3: Trade channels for garden furniture in Europe



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

Importers/wholesalers

Importers/wholesalers sell products to retailers in their own country or region, or re-export across Europe. Some European markets are therefore supplied by wholesalers/importers from other European countries (internal European trade). Supplying to buyers in the project market (such as hotels and spas) can be considered as a secondary distribution flow for European importing wholesalers.

These importers/wholesalers handle the import procedures. They take ownership of the goods when they buy from you (as opposed to agents), taking on the risk of the onward sale of the products. Developing a long-term relationship can lead to a high level of cooperation on appropriate designs for the market, new trends, use of materials, type of finishing, and quality requirements.

Importing retailers

Retailers come in many sizes: large and part of a chain, or small and independent. Especially larger retail chains often import directly from their suppliers in developing countries. Many even have their own buying offices in developing countries. Others - mainly the smaller independent stores - order in Europe from wholesalers.

There is a tendency towards consolidation in European retail. Large retail brands are becoming more widespread and more 'lifestyle-centred', offering home decoration and textiles as well as fashion accessories and furniture.

Buying agents, buying houses and sales agents

You can encounter several types of intermediaries when doing business with European buyers:

- European buying agents represent European buyers in sourcing countries. They act as intermediaries, meaning they do not import products themselves. Sometimes they have a more limited role, such as checking the quality of the products. They can work individually or as part of a purchasing company.
- Buying houses are comparable to buying agents, but they are based in your country and usually offer more

services. These can range from raw material sourcing to design and sampling services.

- European sales agents can help you find European buyers. However, you should be careful before entering into agreements with commercial agents, because [European legislation protects their position](#).

Agents and buying houses mostly work on commission. They may approach you directly, or your buyer may indicate that they prefer to use an intermediary. However, you should always try to work directly with your buyer. This saves on commission and allows you to communicate with your buyer directly.

E-commerce

E-commerce has grown in recent years. It became particularly popular during the pandemic, which drove consumers to buy their HDHT products online. Your best way to benefit from this is by supplying to a European wholesaler or retailer with a strong online presence. For most producers, this is not a separate channel. Retailers often combine online and offline channels, but the way of supplying to them is the same. Companies that only sell online also need to take stock before they can sell.

Direct business-to-consumer (B2C) sales

Selling directly to European consumers via your own website can be complicated and costly. You are responsible for factors like aftersales obligations and payment systems for consumer use. For most exporters from developing countries, this is not feasible. In addition, according to Dutch consumer association Consumentenbond [Dutch consumers buy less from non-EU web shops](#) since [new EU VAT rules](#) were rolled out in July 2021. This makes direct online sales even less attractive.

Tips:

To find potential buyers, search the list of exhibitors or attend the main physical or online trade fairs in Europe: [Ambiente](#) (February) in Frankfurt, [Maison et Objet](#) (January and September) in Paris, [Spoga + gafa](#) (June) in Cologne, and [IMM](#) (January) in Cologne.

See our [tips for finding buyers](#) in the European HDHT market.

For more information about trading directly with smaller retailers and e-commerce, see our [study about alternative distribution channels](#).

What is the most interesting channel for you?

The most interesting trade channels for you are importers/wholesalers and importing retailers.

Importers/wholesalers are the main channel between exporters in developing countries and European retailers. They are interesting if you want to develop a long-term relationship. These importers usually know the European market well, so they can provide you with valuable information and guidance on market preferences. They generally prefer Free on Board (FOB) or Free Carrier (FCA) Incoterms.

Figure 4: Incoterms



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

Large retailers are increasingly importing for themselves instead of through importers/wholesalers. The obvious advantages are cutting out the margins of the wholesaler and reducing delivery time to the market. In the lower-end market segments, self-importing retailers might want to drive a much harder bargain with you to keep prices as low as possible. However, price is a bit less sensitive in the mid-high segment, which offers you the most opportunities in the mid-high segment.

Smaller, independent retailers continue to buy mainly from domestic importers/wholesalers. But, as in other sectors, independent HDHT retailers struggle to compete with retail chains. They need to differentiate on value-added service, specialised offers and authenticity. An interesting way for them to do so is by buying directly from producers in developing countries. They typically prefer small order quantities per item, small total order volumes and delivery to their doorstep via Delivered Duty Paid (DDP) or Delivery At Place (DAP). Repeat orders are less likely.

The trend of direct sourcing is expected to continue and may create more opportunities for you. The pool of buyers grows if more retailers become importers, which could improve your bargaining position. Importing retailers order for their own shops and can therefore place orders much more quickly than some importers/wholesalers, who may need to show samples to their retailers before ordering. You need to calculate if trading directly with (smaller) retailers is cost-effective for you.

Tips:

Consider targeting retailers directly to improve your bargaining position and potentially close deals faster.

Relate your offer and terms to the targeted retailer (large/small). Ask your existing buyers how they operate if you are unsure. The better informed you are, the better you will be able to set prices.

Build a relationship based on mutual benefits by offering services such as fast delivery and after-sales support.

If you are interested in selling to small independent retailers, make sure to have a policy for them when you participate in international (European) trade fairs. You must have appropriate terms of trading, such as low minimum order quantities or pre-stocking.

3. What competition do you face on the European garden furniture market?

Europe's leading supplier of furniture of bamboo, rattan and cane-like materials is China. These producers mainly provide mass-produced garden furniture for the lower-end segments. Instead of competing with them, your best opportunities are in the mid- to high-end market.

Because no specific product codes are available for garden furniture, these statistics cover furniture of bamboo, rattan and cane, osier or similar materials as an example.

China and Italy are by far the main suppliers of furniture of bamboo, rattan and cane-like materials to Europe. They provide 29% and 15% of the imports, respectively. China dominates the low-end segment, while Italy mainly supplies the high-end market. Next on the list are Indonesia (7.6%), Poland (7.1%), Germany (6.3%) and Vietnam (5.4%).

Re-exporters or producers

European countries have different roles in the HDHT market. Some are mainly importers and others are mainly manufacturers. Western European countries are mainly importers, and most Western European importers are re-exporters. They do not just sell their products in their own country, but they distribute them across the continent.

European production mainly takes place in Eastern Europe, mostly because of relatively low transport and labour costs. This can make these countries a good alternative for European buyers to source low- to mid-end products. Western and Southern Europe also produce some high-end products from well-known premium brands with a long history.

Which countries are you competing with?

Source: UN Comtrade

China dominates the bamboo furniture market

Chinese producers mainly supply the lower ends of the market with low-priced, mass-produced products. Chinese supplies of furniture of bamboo, rattan and cane-like materials to Europe grew from €168 million in 2018 to €229 million in 2022, at an average annual rate (CAGR) of 8.1%. China is particularly dominant in bamboo, supplying more than half of Europe's bamboo furniture imports.

China is a competitive supplier because of its large-scale and highly mechanised production systems, low-cost workforce, availability of raw materials and efficient shipping to Europe compared to other Asian countries. Typically, Chinese producers will ensure that they offer every relevant certification available in the areas of quality assurance and sustainability as a convenience to their buyers.

However, the country's rising labour costs in the last 10 years have affected its price competitiveness. In the coming years, China's trade war with the United States and other disruptions may affect the country's exports. European importers also want to become less dependent on China as a single supplier and order shorter runs to reduce stock risk in an unsteady market. This could benefit companies from other developing countries, like you.

To avoid having to compete with Chinese suppliers on costs, you should stay away from mass-produced garden furniture. Focus more on design, craftsmanship, sustainability and the story behind your product, accept smaller orders and assist the buyer in stockkeeping. This allows you to enter the mid- and higher-end market, where your best opportunities are.

Indonesia leads in rattan furniture supplies

Indonesia is famous for its rattan products, as it produces 80% of the world's rattan. It should come as no surprise therefore, that the country is Europe's leading supplier of rattan furniture. Indonesian producers have access to a variety of other natural materials as well, including (reclaimed) teak wood. Their ability to combine these materials can be an additional appeal to buyers. For example, they can add rattan weaving to teak wooden frames. Indonesian manufacturers of garden furniture are also gradually adopting sustainable practices.

The country's supplies of furniture of bamboo, rattan and cane-like materials to Europe grew from €36 million in 2018 to €61 million in 2022, at a CAGR of 14%. Most of this was rattan furniture, which represented about half of all Europe's rattan furniture imports.

Wages in Indonesia are relatively high for the region. This means suppliers have to target the mid- to high-end

markets to be able to compete. They need to do so by delivering high-quality items that are often handmade. Garden furniture often forms part of an overall offer of home products. This allows lifestyle buyers to do some convenient one-stop shopping in Indonesia and fill containers with a complete offer of all-season furniture, storage and accessories. The logistical structure and business climate are good, making the country accessible to European importers.

Poland strengthens its position as a regional supplier

As an Eastern European country, Poland benefits from being close to the Western European market. This allows suppliers to offer short delivery times. At the same time, labour is relatively affordable compared to Western Europe and there is easy access to modern production technology. Suppliers have a good understanding of the European consumer and have well-established and efficient production lines. In addition, products that are 'Made in Europe' are increasingly popular.

Polish manufacturers of outdoor and indoor furniture increasingly have a joint venture or an exclusive arrangement with a Western European importer. For example, German AMAZONAS boosts its sustainability by having their Polish partner Krzysztof produce their FSC-certified wooden garden furniture.

Figure 6: AMAZONAS - Sustainable production in Poland

Source: [AMAZONAS @ YouTube](#)

Poland's supplies of furniture of bamboo, rattan and cane-like materials to Europe grew from €37 million in 2018 to €57 million in 2022, at a CAGR of 12%. Almost all of this was furniture of cane-like materials. Polish manufacturers mainly compete in the price-sensitive segments. Instead, you should focus on higher and more niche segments by adding design with a touch of origin, special materials, sustainable values and interesting stories about your artisans and production. Make sure you offer a high level of service to build strong, lasting relationships.

Vietnam is another low-cost producer

Like producers from China, Vietnamese suppliers are very productive and can produce at low cost. Vietnamese

exports of furniture of bamboo, rattan and cane-like materials to Europe grew from €23 million in 2018 to €43 million in 2022, at a CAGR of 19%. About half of these exports were made of cane-like materials.

Vietnamese suppliers generally have a good idea of what is commercial and trendy. They effectively combine handmade and mechanised production and can cater to a wide range of lower- and mid-end markets. The Vietnamese offer in garden furniture is generally more volume-driven than value-driven. As such, they have been an effective second-sourcing alternative to suppliers from China for several years now, especially because the country is seen as politically stable. The dominant global furniture brands already have a manufacturing base in Vietnam.

India more than triples its supplies to Europe

India's supplies of furniture of bamboo, rattan and cane-like materials to Europe have more than tripled, from €6.7 million in 2018 to €26 million in 2022. This resulted in a direct import market share of 3.1%. Supplies peaked at €31 million in 2021. Nearly all of this furniture was made of cane-like materials.

With skilled labour and transport at competitive costs, India could be well-positioned to take a bigger share of the market. Indian producers have easy access to natural materials and specialise in craftsmanship. This allows them to target higher market segments than the mass-produced products from China. But because Indian manufacturers do generally supply fairly large volumes, they prefer to work for the mid-end market.

India also increasingly offers an effective combination of handmade and more mechanised production techniques. As it becomes more difficult for buyers to order short runs from China, India is becoming a popular alternative. Indian manufacturers also typically offer all the relevant quality and sustainability certifications. A number of Indian manufacturers of in- and outdoor furniture offer innovative concepts in environmental sustainability.

Turkey benefits from its nearby location

Like Poland, Turkey has the advantage of being located close to the European market. Its supplies of furniture of bamboo, rattan and cane-like materials to Europe grew from €9.3 million in 2018 to €19 million in 2022, with a CAGR of 19%. This resulted in a direct import market share of 2.3%. Nearly all of this furniture was made of cane-like materials.

Turkey is still a relative newcomer in the garden furniture market. The country already plays an increasing role in home textiles and can be expected to make inroads into in- and outdoor furniture as well – both as a private label option and, slowly, with brands. Garden furniture from Turkey either imitates popular Western styles or can be overly ethnic. As soon as the sector finds its positioning, it can capitalise on its production systems and location close to the Western European markets.

What companies are you competing with?

In the mid- to high-end segments, you compete with companies that excel in aspects such as sustainability, craftsmanship, design and/or storytelling. The following companies are good examples.

Lovato Móveis - Brazil

Originally dedicated to handmade reed and rattan wicker furniture, Brazilian manufacturer [Lovato Móveis](#) now produces a wide variety of luxury outdoor items. The company's products range from various types of chairs and tables to fun items like poufs and swings. In addition to using natural materials such as FSC-certified Cumaru wood ('Brazilian teak'), Lovato invests in the development of innovative materials that are weather-resistant and durable. This reflects their motto "Made to Weather".

Striving to create modern, timeless and comfortable furniture for higher-end markets, Lovato combines "beauty, unique design and quality". Many of their designs feature so-called nautical knitting techniques, using rope that

they manufacture in-house. The company's commitment to environmental sustainability is reflected in its durable and timeless designs, and its use of non-composite raw materials to facilitate recycling and reduce waste.

Ethnicraft - Belgium / Indonesia, Vietnam, Serbia

As the barrier between indoor and outdoor spaces disappears, the garden becomes an extension of the home. A company that is cleverly playing into this trend is [Ethnicraft](#). Headquartered in Belgium, Ethnicraft produces furniture and decorative objects at their facilities and workshops in Indonesia, Vietnam and Serbia. The company's main focus is on solid wood furniture, sourced from responsibly and carefully managed forests. As such, they are FSC chain of custody certified.

Ethnicraft is well aware of the trend of blending indoor and outdoor styles, stating that "outdoor living areas are an extension of our homes, for entertaining, relaxing, and connecting". In 2020 they presented their first outdoor collection, combining both familiar and new designs. It included some popular and recognisable Ethnicraft designs that were adapted for outdoor use, for example by using teak instead of oak wood. This is ideal for consumers who would like to continue the style of their living room into their outdoor space.

Figure 7: Ethnicraft - Wooden outdoor furniture

Source: [Ethnicraft @ YouTube](#)

Seken Living - Indonesia

Indonesian design and manufacturing business [Seken Living](#) firmly focuses on sustainability. They produce handmade furniture and home decoration from natural and recycled materials. Their main material is recycled teak wood, a wood type that Indonesia is well-known for. Some of the wood is FSC-certified. Their outdoor furniture ranges from lounge sets and sunbeds to fun outdoor swings and flexible items for smaller (urban) outdoor spaces.

Figure 8: Seken Living - company profile

Source: [Seken Living @ YouTube](#)

Which products are you competing with?

Although there is a general trend towards natural and sustainable materials, garden furniture made of plastic or synthetic rattan is still popular. Mainly because these materials are durable and do not require extensive maintenance. Such products of man-made fibres, often sourced from China, will continue to be important competing products for producers of garden furniture made of natural materials.

Tips:

Compare your products and company to the competition. You can use [ITC Trade Map](#) to find exporters per country and compare on market segment, price, quality and target countries.

Focus on design, craftsmanship, quality and the story behind your products to stand out from your competitors.

4. What are the prices for garden furniture?

Prices for garden furniture vary across market segments, ranging from low-end to high-end. After adding logistics costs, wholesaler and retail margins and Value Added Tax (VAT), European consumer prices amount to about 4-6.5 times your selling price.

Table 1 gives an overview of the indicative prices of outdoor dining sets for 6 persons in the low-, mid- and high-end segments. Be aware that these are just an indication, since prices vary depending on technique, size, material, design, brand and other ways of value addition, including a strong sustainable concept.

Table 1: Indicative consumer prices of outdoor dining sets in Europe

	Low-end	Mid-end	High-end
Wooden outdoor dining set for 6 persons	up to €500	€500-1,500	€1,500 or more
Rattan and bamboo outdoor dining set for 6 persons	up to €750	€750-2,000	€2,000 or more

Consumer prices depend on the value perception of your product in a particular segment. This is influenced by your marketing mix.

Figure 9: Marketing mix - the 4 Ps



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

The European consumer price of your product is about 4-6.5 times your **FOB** price. Besides energy, labour and transport costs, FOB prices depend heavily on the availability and cost of raw materials. Occasional cost increases are not directly passed on to the consumer, so they put pressure on the margins of exporters, importers and retailers. However, recent disruptions resulted in longer-term cost increases. This continuing pressure made many retailers raise their consumer prices. Now that costs like shipping rates are dropping again, consumer prices may follow.

Consumer prices generally consist of:

- Your FOB price;
- Shipping, import, handling costs;
- Wholesaler margins;
- Retail margins; and
- VAT - varies per country, about 20% on average.

Figure 10: Price breakdown indication for garden furniture in the supply chain



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

For example, in Table 2 the FOB price is set at €10. Depending on the market segment your product is designed for, the consumer price ranges from €41 in the low-end market to €65.50 in the high-end market.

Table 2: Example of the price breakdown per market segment

	Low margin	Middle margin	High margin	
FOB price	€10.00	€10.00	€10.00	Your FOB price

Transport, handling charges, transport insurance, banking services (20/15/15%)	+2.00 €12.00	+1.50 €11.50	+1.50 €11.50	Landed price for the wholesale importer
Wholesalers' margins (50/75/90%)	+6.00 €18.00	+8.60 €20.10	+10.40 €21.90	Selling price from the wholesale importer to the retailer
Retailers' margins (90/110/150%)	+16.20 €34.20	+22.20 €42.30	+32.70 €54.60	Selling price excluding VAT from the retailer to the end consumer
Selling price incl. VAT (20%)	+6.80 €41.00	+8.50 €50.80	+10.90 €65.50	Selling price including VAT from the retailer to the end consumer

The FOB price of €10 includes your own margins as a producer. These margins depend on your efficiency and price setting. Margins in the lower segment, which deals with high volumes for low prices, are generally smaller than those in the middle and higher segments.

Some examples of garden furniture prices across Europe are:

- Bamboo dining set with 4 foldable chairs, [SKLUM](#), €547.95
- FSC-certified foldable mahogany wooden bistro set, [West Elm](#), £798
- FSC-certified acacia wooden lounge set with recycled fabric cushion covers, [Maisons du Monde](#), €1699

Tips:

Study consumer prices in your target segment to determine your price and adjust your cost accordingly. The quality and price of your garden furniture must match what is expected in your chosen target segment.

Calculate your prices regularly and carefully, especially if prices of your raw materials fluctuate. When raw material prices pressure your margin for a longer period, consider increasing your price or finding an alternative.

Understand your segment. Offer a correct marketing mix to meet consumer expectations. Adapt your business model to your position in the market.

[Globally Cool B.V.](#) in collaboration with [GO! GoodOpportunity](#) carried out this study on behalf of CBI.

Please review our [market information disclaimer](#).