

# Entering the European market for candle holders

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The European market for candle holders offers opportunities, but competition is fierce. As mass-producing countries dominate the lower ends of the market, it is best to focus on the mid- and higher-end segments. In order to compete, products need to have added value. Entering the European market means you need to comply with the European Union's (legal) requirements, as well as any additional or niche requirements buyers may have.

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## 1. What requirements must candle holders comply with to be allowed on the European market?

The following requirements apply to candle holders on the European market. For a more detailed overview, see our report on [buyer requirements for Home Decorations and Home Textiles \(HDHT\)](#).

### What are the requirements?

#### General Product Safety Directive

Europe's [General Product Safety Directive](#) (2001/95/EC) is a legislative framework, stating that all products marketed in the European Union (EU) must be safe to use. Unsafe products are rejected at the European border or withdrawn from the market.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.

In 2021 the European Commission adopted a [proposal for a General Product Safety Regulation](#), to replace the current directive. This new legislation would be applied in its entirety across the EU.

#### Tips:

Read more about the [General Product Safety Directive](#) and stay informed of the proposed rollout of a new [General Product Safety Regulation](#).

Use your common sense to ensure that normal use of your product is not dangerous.

Search the [Safety Gate alerts](#) for candle holders to get an idea of what kinds of issues may arise.

## Restricted chemicals: REACH

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

Restricted chemicals in the production of candle holders include:

- lead in the paints used on and in the glazing of ceramics
- arsenic and creosotes as wood preservatives

### 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 on the [Access2Markets](#) platform.

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

## Timber Regulation

The European Union's [Timber Regulation](#) (EUTR) is aimed at combatting the trade of illegally harvested timber and products. It covers a wide range of [timber \(wood\) products](#), which are listed in its Annex. Products with a [FLEGT](#) or [CITES](#) licence are in compliance with the EUTR.

### Tips:

For more information, see the [EUTR Guidance Document](#).

See the [FLEGT License Information Point](#) and the [EU FLEGT Facility](#) for more information about FLEGT.

For more information on CITES permits, you can contact your [National CITES Management Authority](#).

## Packaging legislation

The [Packaging Directive](#) (94/62/EC) is aimed at preventing or reducing the impact of packaging and packaging waste on the environment. Buyers may therefore ask exporters to minimise the use of packaging and/or to use sustainable (recycled) materials. The EU's new [Circular Economy Action Plan](#) identifies packaging as one of the sectors that uses the most resources, with a high potential for circularity. All packaging on the European market should be reusable or recyclable in an economically viable way by 2030. To help achieve this, the Packaging Directive is under review.

Europe also has [requirements for wood packaging materials](#) (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 [review of the Packaging Directive](#).

## What additional requirements do buyers often have?

### Sustainability

Requirements in relation to social and environmental sustainability are becoming more and more common on the European market. These include requirements with regard to sustainable raw materials and production processes, as well as the impact a company has on the environment and the well-being of its workers and the community. These topics can be included in the “story” behind a product and company. Buyers appreciate good storytelling as it helps create an emotional connection with their customers.

### Consumers value sustainability

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

An increasing number of European buyers prefer to work with suppliers which 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 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 Advance](#) platform lets you share your sustainability performance, based on a self-assessment.

Standards such as [ISO 14001](#) and [SA 8000](#) can be consulted to find out more about sustainable options. However, only niche market buyers demand compliance with such standards.

### Greenwashing - be honest about your sustainability

[Half of green claims are not supported by evidence](#), according to a recent screening of websites by the European Commission and national consumer authorities. With this so-called ‘greenwashing’, companies pretend to be doing more for the environment than they really are. In 42% of the cases, the claims were believed to be exaggerated, false or deceptive and could potentially qualify as unfair commercial practices under EU rules. Unsurprisingly, many consumers (and importers) do not trust generic sustainability claims. In a 2021 study, [just 20% of Western European respondents had a great deal/a lot of trust in claims about sustainable business practices](#).

Clearly, being honest yet effective is key. For help with communicating about sustainability performance, see the [guidelines sustainability claims](#) by the Netherlands Authority for Consumers and Markets. The British Competition and Markets Authority's [guidance for businesses on making environmental claims](#) also lists 6 principles which should be followed.

### Tips:

Optimise your sustainability performance. Reading up on the issues addressed by the initiatives such as [BSCI](#) and [ETI](#) will give you an idea of what to focus on.

If you can show your sustainability performance, for instance with a self-assessment like the [BSCI Producer Self-Assessment](#) and [Sedex's Self-Assessment Questionnaire](#), or a code of conduct such as the [ETI Base Code of labour practice](#), this may give you a competitive advantage.

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

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 mitigate the negative impacts of their activities on human rights and the environment.

## Crystalline Silica

[Respirable Crystalline Silica](#) (RCS) can cause lung cancer due to inhalation. The ceramics industry mostly uses crystalline silica in the form of quartz and cristobalite. European buyers are increasingly held responsible for worker safety, and they may demand proper handling of crystalline silica during production.

### Tip:

See the [European Network on Silica](#) for access to materials such as the [Agreement on Workers Health Protection through the Good Handling and Use of Crystalline Silica and Products Containing It](#), a [Good Practice Guide](#) and European national [Occupational Exposure Limits](#).

## Labelling

The information on the outer packaging of candle holders should correspond to the packing list sent to the importer.

External packaging labels should include:

- producer name
- consignee name
- quantity

- size
- volume
- caution signs

The 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 included in the order specifications. In Europe [EAN or barcodes](#) are often used on the product label.

## **Packaging specifications**

### **Importer specifications**

You should package candle holders according to the importer's instructions. They have their own specific requirements for the use of packaging materials, filling boxes, palletisation and stowing containers. Always ask for the importer's packaging specifications, which are part of the purchase order.

### **Damage prevention**

Proper packaging minimises the risk of damage caused by shock. How an item is packaged for export will depend on how easily it can be damaged. Packaging should ensure that 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. Packaging therefore usually consists of inner and outer cardboard boxes. The inner boxes are filled with materials to protect the products (such as bubble wrap or paper, depending on the buyer).

If the candle holders are made of wood, the wood needs to be dried properly 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. Ensuring proper ventilation inside the container can prevent this, so containers must be inspected for air holes prior to shipment. You can also place products to reduce humidity in between the cargo. Make sure to follow the importer's instructions.

### **Dimensions and weight**

Packaging must be easy to handle in terms of its dimensions 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 it is important to maximise the use of pallet space. Nesting or stacking candle holders inside the container reduces costs. Keep this in mind when designing the products.

While packaging has to provide maximum protection, it is essential to avoid using excess materials or shipping 'air'. Buyers incur costs for waste removal.

You can reduce the amount and variety of packaging materials by:

- adding 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 the buyer for alternatives

### **Materials**

Importers are increasingly banning wooden crating and packaging. Economical and sustainable packaging materials are more popular. The use of biodegradable packaging materials can be a market opportunity. Some

buyers may even require it.

## Consumer packaging

Branded gift wrapping adds value to candle holders. The gift box can be the original export packaging, or a box provided by the retailer. Candle holders themselves can function as gift packaging for candles and add value to them by offering decorative value.

### Tips:

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

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

## Payment and delivery terms

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. Importers generally prefer Free On Board (FOB) or Free Carrier (FCA) arrangements.

### Tips:

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

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

For a more detailed overview of the various terms and conditions, how to work with them, and the benefits of having your own, see our report on [terms and conditions](#).

## What are the requirements for niche markets?

### Fair trade

According to the World Economic Forum, [86% of people want significant change to make the world a fairer and more sustainable place after COVID-19](#). The concept of fair trade supports fair pricing and better social conditions for producers and their communities. A competitive advantage can be gained with fair trade certification, especially if the production of the items is labour intensive.

Well-known fair trade certifications include those 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 [fair trade principles](#) is enough.

See an example of [fair trade glass candle holders](#).

### Tips:

Ask buyers what they are looking for. In the case of fair trade products, the story behind the product is especially useful 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, you can work according to [fair trade principles](#) without being officially guaranteed or certified. You should 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. The [FSC chain of custody certification](#) guarantees that a product's materials are sourced from responsibly managed forests. These products are especially popular in Western European markets.

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

Because these certification programmes are aligned with the [Timber Regulation](#), they are also a way to show legal compliance.

### Tips:

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

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

## 2. Through what channels can you get candle holders on the European market?

The candle holder market is segmented into low-, mid- and high-end (premium) market segments. The candle holders are bought and sold 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 1: Candle holder market segmentation in Europe



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

## Low-end market

In the low-end segment, the focus is on functionality and basic design. These candle holders are usually (industrially) mass-produced and inexpensive and are made to hold tea lights or basic cylindrical candles. To keep prices down, the materials used are generally cheap. Typical retailers include hypermarkets such as [Carrefour](#) and general department stores like [HEMA](#), as well as garden centres and online convenience stores such as [Amazon](#).

The items in this segment are hard to compete with. Instead, the mid- and higher-end markets small or medium-sized enterprises (SME) from a developing country the most opportunities.

## Mid-end market

The mid-end segment follows the trends, particularly in terms of decoration and colour. These candle holders need to be affordable and their design needs to be mainstream enough to attract the average consumer. [Zara Home](#) and [Habitat](#) are examples of key mid-end players. Consumers in this segment create a specific atmosphere in their homes, such as a nostalgic 'cottage' style or a natural style. The candle holders they buy need to fit in with this style.

Figure 2: [Kähler](#) – Scandinavian-style ceramic candle holders



Source: [Kähler @ YouTube](#)

In the mid- to high-end segment, craftsmanship, natural or sustainable values and branding play more of a role. Consumers in this mid-high end of the market are somewhat less focused on price and more on expressing their identity.

### **High-end/premium market**

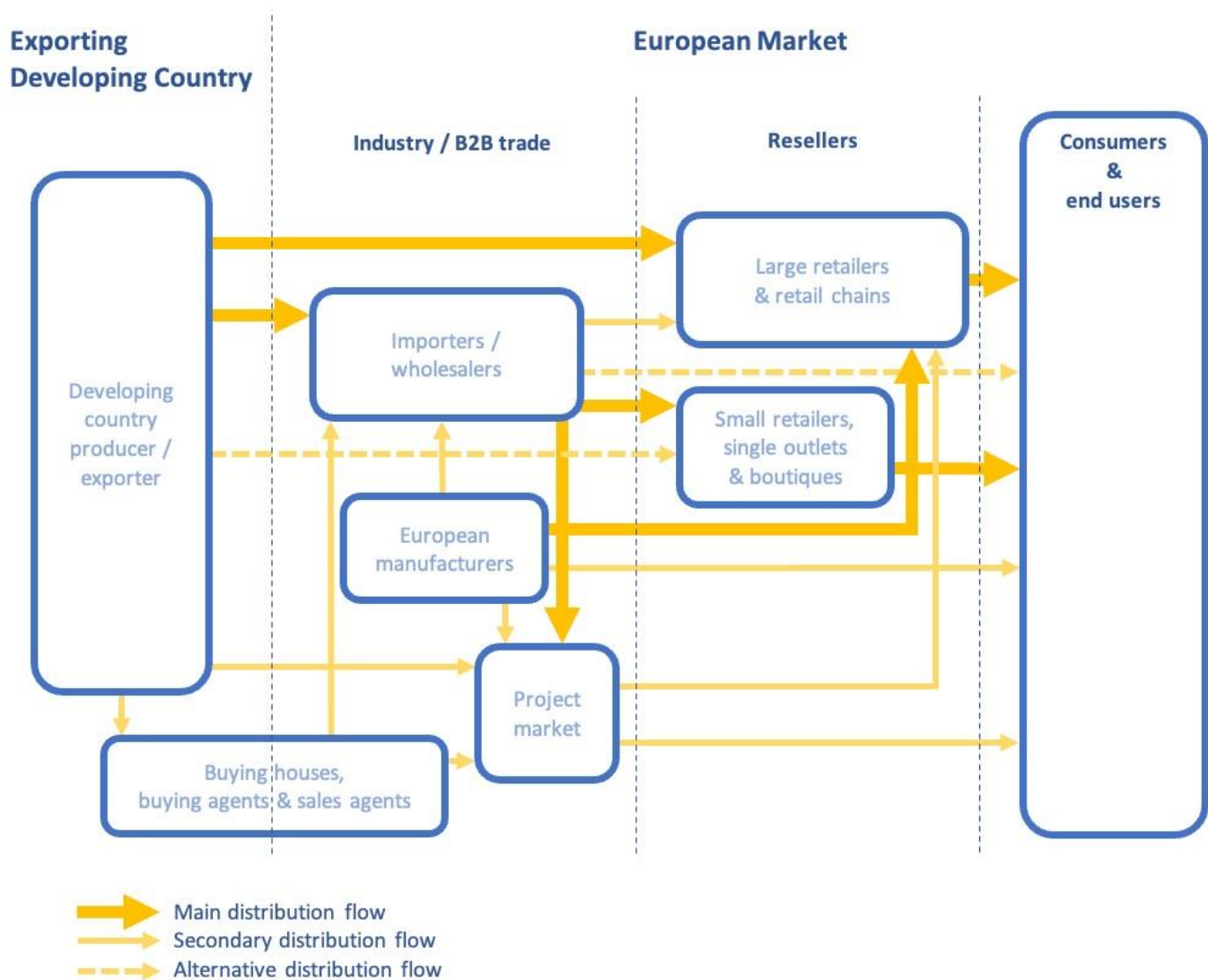
Premium candle holders are eye-catchers that allow consumers to tell a story. Innovation and high design value are more important than price. The candle holders in this segment are often made with premium hand-made techniques and premium materials, but may also have innovative value by virtue of being made with more industrial processes. Premium materials can include crystal, rare metals or special wood types, or innovative combinations of materials. Luxury department stores such as [Harrods](#) play an important role in this segment, and designer brands/names are often advertised.

Whether the mid- or high-end segment holds the most opportunities for an exporter in a developing country depends on its production efficiency, level of craftsmanship and design, and marketing skills.

### **Through what channels do candle holders end up on the end market?**

The channels through which candle holders are bought and sold on the market follow the traditional patterns: import takes place via importers/wholesalers that supply to retailers. Larger retail chains often bypass the importers/wholesalers and import items directly, 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 candle holders 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 them across Europe. Some European markets therefore obtain products through importers/wholesalers from other European countries (intra-European trade). The products supplied to buyers in the business-to-business (B2B) market can be considered a secondary distribution flow for them.

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

## Importing retailers

Retailers come in many sizes: they can be large and part of a chain, or small and independent. Larger retail chains, in particular, often import directly from exporters 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 items and textiles in addition to fashion accessories and furniture.

## Buying agents, buying houses and sales agents

European buyers work through various types of intermediaries. In developing countries, there may be buying houses, and in Europe there are both buying agents and sales agents.

- 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 the exporter's country and usually offer more services. These can range from the sourcing of raw materials to design and sampling services.
- European sales agents can help you find European buyers. However, you should be careful about entering into agreements with commercial agents, because [European legislation protects their position](#).

Agents and buying houses mostly work on commission. They may contact exporters directly, or a buyer may indicate they prefer using an intermediary. However, it is always best to try to work directly with the buyer. That way, no commission is charged and the buyer can be communicated with directly.

## E-commerce

E-commerce is growing, particularly since the start of the COVID-19 pandemic. The best way to benefit from this, is to focus on finding a European importing wholesaler or retailer with a strong online presence to supply products to. For most producers, this is not a separate channel. Catering to buyers that sell online is no different from doing business with offline. Retailers often combine online and offline channels, but the manner of supplying to them is the same. Companies that only sell online also need to take inventory before they can sell their products.

## Direct business-to-consumer (B2C) sales

Selling directly to European consumers via an exporter's website can be complicated and costly. The exporter bears responsibility for aftersales obligations and payment systems, among other things. For most exporters from developing countries this is not manageable. In addition, according to the Consumers' Association [Dutch consumers have been buying less from non-EU web shops](#) since [new EU VAT rules](#) were rolled out in July 2021. This makes direct online sales even less appealing.

### Tips:

To find potential buyers, search the list of exhibitors or attend the main (online) trade fairs in Europe: [Ambiente](#) (February) and [Tendence](#) (August) in Frankfurt, and [Maison et Objet](#) (January and September) in Paris.

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

## What is the most interesting channel for you?

Importers/wholesalers are the main channel between exporters in developing countries and European retailers. Working with them can be a good option if the goal is to develop a long-term relationship. These importers usually know the European market well, so they can provide valuable information and guidance on market

preferences.

However, as the market becomes more and more competitive, large retailers are increasingly importing goods directly instead of through wholesale importers. Cut out the margins of the wholesaler and reduce delivery time to market are obvious advantages of this. In the lower-end market segments, self-importing retailers might drive a much harder bargain. However, price is less of an issue in the mid- to high-end segment, which offers the most opportunities.

Smaller, independent European retailers continue to buy mainly from domestic wholesalers/importers. As in other sectors, independent HDHT retailers struggle to compete with retail chains. They need to differentiate themselves based on value-added service, specialised offers and authenticity. These buyers typically prefer to order small quantities of each item and small total volumes and to have the items delivery to their doorstep. Repeat orders are also less likely with these buyers. This may not be cost effective for all exporters.

The trend of direct sourcing is expected to continue and may create more opportunities for exporters in developing countries. The pool of buyers will grow if more retailers become importers, which could improve exporters' 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.

### **Tips:**

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

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

For more information on the pros and cons of dealing directly with smaller retailers, read our report on [alternative distribution channels](#).

Build a mutually-beneficial relationship by offering services such as fast delivery and after sales support.

When you participate in international (European) trade fairs, make sure you have a policy for small, independent retailers which may visit your booth. If you choose to sell to them, you must have the appropriate terms of trading, such as low minimum order quantities or pre-stocking.

## **3. What competition do you face on the European candle holder market?**

Most of Europe's imports of non-electrical lamps and lighting fittings come from China. These manufacturers mainly supply mass-produced, low-cost items. It is best to focus on in the mid- to high-end market in order to avoid competing with them.

(!) Because no specific trade data are available for candle holders, these statistics cover non-electrical lamps and lighting fittings.

China dominates the European market for non-electrical lamps and lighting fittings, accounting for 63% of the imports. India trails behind, accounting for 11% of imports. The remaining countries in the top 6 are Germany

(5.2%), the Netherlands (4.5%), Poland (2.6%) and Denmark (1.7%).

### **Re-exporters or producers**

It is important to be aware of the fact that European countries play different roles in the market. Some are mainly importers and others are mainly manufacturers. Western European countries are mainly importers (and re-exporters). Most Western European importers do not just sell their products in their own country, but they also distribute them across the continent.

European production mainly takes place in Eastern Europe, mostly because of relatively low transport and labour costs. These countries can therefore be a good alternative for sourcing low- to mid-end products. Some high-end products from well-known premium brands with a long history are also produced in Western and Southern Europe.

Mass-produced rugs are produced at the lower ends of the market and in the most cost-effective country. It is best not to try to compete with these countries, but rather to focus on the mid- to high-end market.

## **Which countries will you compete with?**

### **China dominates the market**

With a direct import market share of more than 60%, China is Europe's main supplier of non-electrical lamps and lighting fittings. However, the country's dominance seems to be slightly decreasing. After already declining between 2017 and 2019, Chinese exports of candle holders to Europe fell by another 22% in 2020. In 2021 they recovered to €249 million, but this is likely to have included a significant quantity of delayed shipments carried that over from 2021. Even so, they did not reach 2017-levels.

Its low-cost workforce, availability of raw materials and efficient shipping to Europe compared to other Asian countries make China the most competitive supplier. However, the country's rising labour costs in the last 10 years have affected its price competitiveness. In the coming years, disruptions following China's trade war with the United States and the COVID-19 pandemic may also negatively impact the country's trade performance. This could benefit companies from other developing countries.

Chinese producers mainly supply inexpensive products to the lower ends of the market, as product development and creativity are not their key strengths. To avoid having to compete with them in terms of costs, it is important for a company to differentiate itself and avoid selling mass-produced candle holders. It is better to focus more on products with added value, such as sustainability and the story behind the product. This makes it easier to enter the mid- and higher-end markets, which hold the best opportunities for exporters in developing countries.

### **Flow of goods from India is unstable**

The flow of non-electrical lamps and lighting fittings from India to Europe has been fluctuating in recent years. The import value reached €42 million in 2021, which was the same as in 2017.

Offering skilled labour and transport at competitive costs, India could be well-positioned to take up a bigger share of the European import market. Indian producers have easy access to natural materials and specialise in craftsmanship. This allows them to target higher market segments than China with its mass-produced products.

## **Poland strengthens its position as a regional supplier**

After a decline in 2018, Polish exports of non-electrical lamps and lighting fittings to Europe have grown significantly. Even during the COVID-19 pandemic. The country's supplies grew from €7.0 million in 2017 to €10 million in 2021, at an average annual rate of 11%.

As an Eastern-European country, Poland benefits from its proximity to the Western-European market. This allows suppliers to offer short delivery times, while at the same time, labour in Poland is relatively affordable compared to Western Europe. 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 becoming increasingly popular.

## **Vietnam is a low-cost producer**

Vietnamese exports of non-electrical lamps and lighting fittings to Europe have stabilised at around €2.9 million, after declining considerably in 2018 and 2019. This resulted in an average annual decline of 11%. This amounts to a market share of about 1%.

Like suppliers from China, Vietnamese manufacturers often prefer to produce in large volumes and are capable of doing so inexpensively. These producers 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. As such, they can be an effective (second-sourcing) alternative to China.

## **Indonesia performs well despite disruptions**

After some fluctuations, Indonesian exports of non-electrical lamps and lighting fittings to Europe performed well during the pandemic years of 2020 and 2021. They grew from €1.8 million in 2017 to €2.4 million in 2021, at an average annual rate of 6.5%.

Wages in Indonesia are relatively high for an Asian country. This means Indonesian 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. The logistical structure and business climate in Indonesia are good. This makes the country accessible for European importers, many of whom already have a well-established base in the country.

## **Slovenia increases its supplies eightfold**

Like Poland, Slovenia is an Eastern-European country that benefits from its proximity to the Western-European market. This is reflected in the country's strong performance in recent years. Slovenian exports of non-electrical lamps and lighting to Europe soared between 2017 and 2021, growing from €0.3 million to €2.1 million, at an average rate of 69% per year. Although this rate is somewhat inflated due to the relatively low export values in 2017, Slovenia's performance is impressive, nonetheless. The country's European market share grew from 0.06% to 0.5%.

## **Which companies will you compete with?**

### **Native Crafts and Arts, Philippines**

[Native Crafts and Arts](#) is a small family-owned company. This manufacturer and exporter of Philippine crafts has a clear focus: rattan and bamboo fibres. They use these materials in pendant lighting and candle holders in the form of lanterns. Inside the bamboo container, a recycled glass holder can contain the candle. The candle holders are ideal for creating ambience both indoors and in the garden.

The company's aim is to "empower Filipino craftsmen and promote Philippine craftsmanship by creating and re-envisioning traditional handicrafts in new, sustainable and innovative ways". Native Crafts and Arts is a good example of Philippine craftsmanship, but it would be good to hear more about the environmental side of their raw materials – the sustainability of their rattan and bamboo.

## Esma Dereboy, Turkey

Figure 5: [Esma Dereboy](#) – The Production Story of Esma Dereboy Handmade Porcelain Products

Source: [Esma Dereboy @ Youtube](#)

Turkish artist [Esma Dereboy](#) uses an innovative technique to create embossed ceramics. After the products are handcrafted from a special clay mixture, undercoated and baked, the patterns are embossed or inlaid onto the base. With this technique the studio produces a range of ceramic tableware and home accessories, including candle holders. These embossed ceramics come in various colours, from turquoise to bronze. The studio's craftsmanship is a key selling point, which is highlighted across the website and in social media. Again, it would be good if sustainability were included in the communication.

## Aglow Exports, India

[Aglow Exports](#) produces metal home decorations – mainly small furniture, candle holders and other lighting. It combines modern technology with traditional creative processes. Aglow has a design studio with designers from India and abroad, who develop a “wide array of designs using different techniques and skills” and “innovative design concepts”. Besides polishing, the company's finishing techniques include electroplating, powder coating and lacquering. Aglow's candle holders come in designs ranging from simple tealight containers to tree-shaped taper holders.

## Which products will you compete with?

When it comes to creating ambience, candle holders (and candles) compete with ambient lighting concepts. This is a question of traditional versus modern solutions, and it is up to the consumer to decide what style creates the best cocooning experience. In hospitality settings, the industrial option is often preferred. A vast number of competing options in terms of style and price are available in the product group of candle holders.

### Tips:

Compare your products and company to the competition. You can use [ITC Trade Map](#) to find exporters

by country and compare them based on market segment, price, quality and target countries.

To differentiate your company from your main competitors, focus on design, craftsmanship, quality and the story behind your products.

## 4. What are the prices for candle holders on the European market?

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

Table 1 gives an overview of the prices of candle holders in the low-, mid- and high-end market segments.

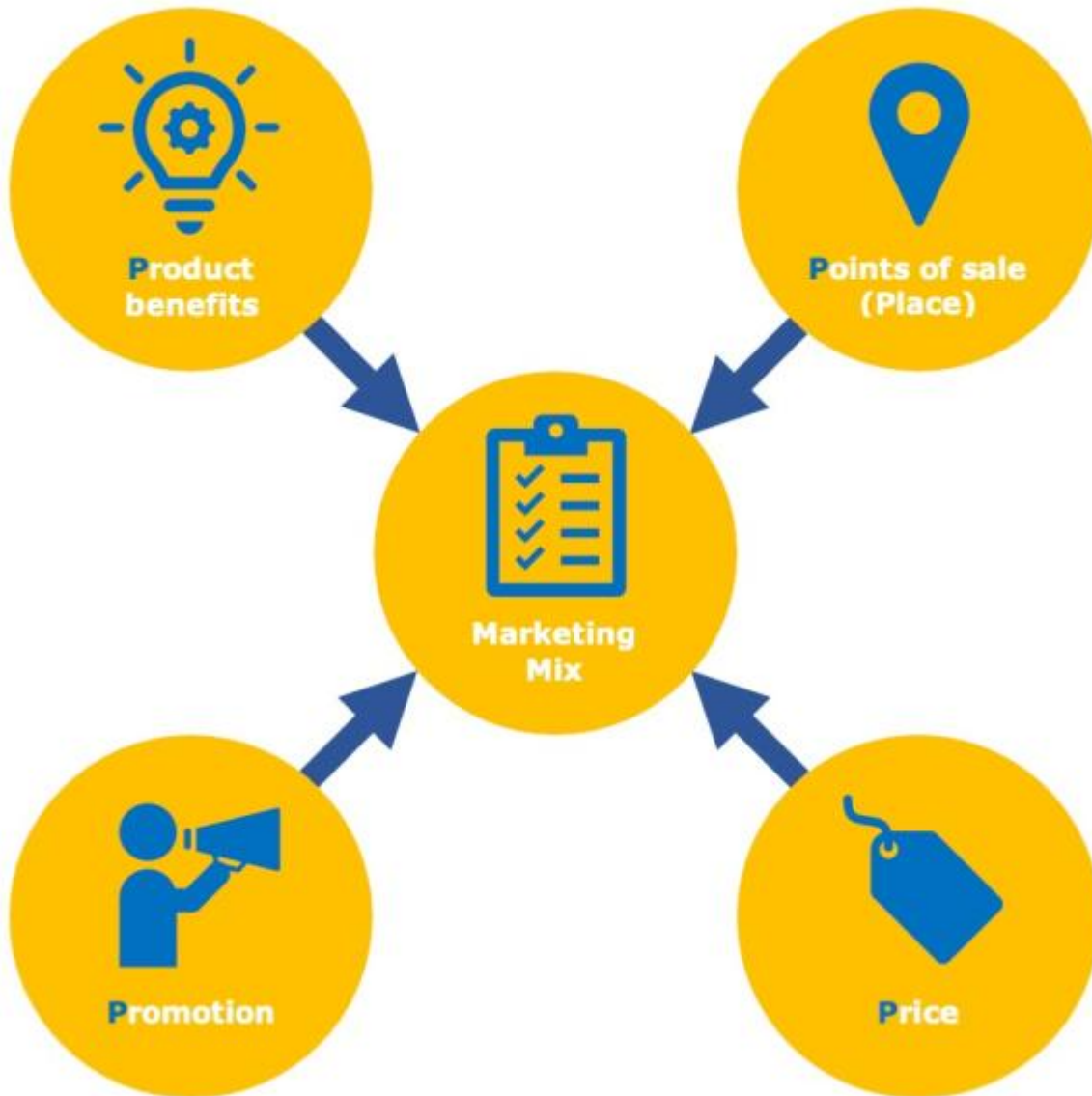
Table 1: Indication of consumer prices of candle holders in Europe

	Low-end	Mid-end	High-end
Candle holders	Up to €10	€10 to €45	Over €45

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

Figure 6: Marketing mix - the 4 Ps





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

The European consumer price of your candle holders is about 4 to 6.5 times the selling (FOB) price. In addition to energy, labour and transport costs, FOB prices depend greatly on the availability and cost of raw materials. Occasional cost increases are not passed directly on to the consumer, so they squeeze the margins of exporters, importers and retailers. The recent pandemic-related disruptions have resulted in longer-term cost increases. Because of this continuing pressure, some European retailers have now decided to increase their consumer prices.

Consumer prices generally consist of:

- the FOB price
- shipping, import and handling costs
- wholesaler margins
- retail margins
- VAT, which varies per country, but is about 20% on average

Figure 7: Indication of price breakdown for carpets 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 the product is designed for, the consumer price will range from €41 in the low-end market to €65.50 in the high-end market.

Table 2: Example of the price breakdown by 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 the margins of the producer. These margins will depend on efficiency and the way in which prices are determined. Margins in the lower-end segment, in which large volumes are sold at low prices, are generally smaller than in the middle- and higher-end segments.

The following are a few examples of candle holder prices across Europe:

- recycled glass candlestick, [Dille & Kamille](#) (the Netherlands), €8.95
- ceramic candlestick for 2 candles, [H&M](#) (international), €14.99
- WFTO-guaranteed soapstone lantern, [Globo Fair Trade Partner](#) (Germany), €25.90
- designer iron and aluminium candle holder, [Catellani & Smith](#) (Italy), about €160

**Tips:**

Research consumer prices in your target segment to determine your price and adjust your cost accordingly. The quality and price of your candle holders must match what is expected in your chosen target segment.

Calculate your prices regularly and carefully, especially if the prices of your raw materials fluctuate. If raw material prices squeeze margins for a longer period of time, you should consider increasing your price or finding an alternative.

Understand your segment and use the right marketing mix to meet consumer expectations. Adapt your business model to your position in the market.

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

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