

# What are the opportunities for leather on the European footwear market?

Leather footwear is a basic item available in all price categories. Many leather shoes are still manufactured in Europe, where leather quality and skilful stitching are highly valued. An important trend influencing the leather segment is the growth of much cheaper synthetic materials offering an almost identical quality. This is putting pressure on the leather footwear market. However, in general, full leather shoes remain a valued product in Europe, offering good opportunities to developing country suppliers.

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## 1. Product description

On the European market, leather shoes can be divided into the following three categories.

1. Full leather shoes with leather outsoles
2. Full leather or semi-leather shoes with synthetic outsoles that include, for example, rubber, thermoplastic rubber (TPR), or phylon
3. Synthetic shoes with leather overlays and synthetic outsoles



*Examples of leather footwear: full leather with a leather outsole, leather with a synthetic outsole, semi-leather upper with a synthetic outsole*

## HS Codes

The following HS Codes are used in Europe to represent leather footwear:

32301200 (snow-ski footwear)

64031200 (ski-boots, cross-country ski footwear and snowboard boots with outer soles of rubber, plastic or composition leather and uppers of leather)

64031900 (sports footwear, outer soles of rubber, plastics, leather or composition leather & uppers of leather)

15202350 (sports footwear with rubber, plastic or leather outer soles & leather uppers)

64042090 (footwear with outer soles of leather or composition leather and uppers of textile materials)

15201445 (rubber, plastic or leather outer soles)

## Quality

In the shoe sector several leather qualities are used. Quality begins in the tannery. The first essential thing you need to know in the leather industry is that chromium VI is a forbidden chemical in Europe. Do not use it at all in the tanning process; if chromium VI is detected, your shipment to Europe will be rejected.

The next quality factor is related to the different animal hides used in footwear. The most common leather qualities come from cow, calf, goat and sheep hide.

Within these qualities there are different quality segments: pigskin as lining; corrected leather; suede leather; pressed suede; action leather; crazy horse; Nubuck leather; top-grain leather; and full-grain leather.

## Materials, tanning and finishing

Leather production starts in a tannery, where it is processed and tanned/pickled. The hair is removed and then the hide is tanned and finished. The protein structure of the hide is altered by means of chemicals; this treatment makes the hide stronger and more resistant to decomposition. If the waste materials are not processed and cleaned, this wet process has a significant impact on the environment.

There are several products available that have a lower environmental impact than tanned leather. Examples include leather prepared by means of [vegetable tanning](#) and [EasyWhite](#). Both of these produce chrome-free leather.

After the tanning process, the hide needs to be finished. This can be done in different ways to create different effects. Embossing structures are an example of a physical finish. This process is mostly used to create a specific look, but it can also be used to hide the leather's imperfections.

There are also many kinds of chemical finishes, such as coating, polyurethane, acrylic, vinyl, water-repellent, wax, oil, spray or polish.

Many companies supply chemicals and finishing techniques. A few examples are [Stahl](#), [BASF](#), [Smitzoon](#), [Lanxess](#) and [Schillseilacher](#).

The leather most commonly used in shoe production is cow leather. The cow hide has two parts:

1. top or full-grain leather comes from the top layer of the hide and is the most expensive part of the hide, as it shows the fibres, and the quality is dense and firm
2. split leather is leather created from the more fibrous part of the hide after the top-grain has been removed; its structure is softer and looser, making it the cheaper part of the hide.

## Quality characteristics of different leather types

### Pigskin as lining

Pigskin can be recognised by small dimples in the skin. It is very important to note that pigskin can only be sourced and used in non-Muslim countries.

### Corrected leather

In corrected leather, the grain is partly removed to get rid of natural hallmarks present on its surface. The tannery corrects the surface and applies a simulated grain.

### Suede leather

Suede has a hairy surface and is very common in footwear. It is the perfect material for creating casual, sports and vulcanised shoes. Different thicknesses are available, ranging between 1.2 mm and 1.8 mm.

#### Pressed suede

The base material for pressed suede is split leather. The surface of the split leather is treated and then pressed with embossing plates, resulting in the perfect low-cost material for high-volume production.

#### Action leather

To create this material, split leather is rolled smooth and laminated with a flexible thin film of polyurethane (PU) or polyvinylchloride (PVC). The surface is embossed. This type is common in sports footwear.

#### Crazy horse leather

Crazy horse leather is a lower quality of grain leather that has been brushed to remove the top surface. The leather is then treated with oil or wax to darken it. Characteristically, you can still see the bug bites and scars on it. Stretching crazy horse leather causes a change of colour, as the oil is pressed out.

#### Nubuck leather

Nubuck leather is a higher quality leather with a velvety feel. This effect is created by buffing the leather – or rubbing off the top grain – which makes Nubuck fragile and costly.

#### Top-grain leather

Top-grain leather retains the natural textures of the hide, but is treated with a penetrating dye with the aim of creating a whole appearance and to hide small defects.

#### Full-grain leather

This leather is of the highest quality; it is the most expensive kind. Full-grain leather is flawless, having retained its full grain and natural textures. Only high-quality hides – often from cattle that has had high-quality feed and been kept in enclosures free of barbed wire – can be used for making full-grain leather.

## Labelling

All footwear sold in Europe must be fitted with labels offering information on the main materials used for the three main parts of the shoe: the upper, the lining and insock, and the outer sole. Each label must state – in words or pictograms prescribed by the [EU Directive on footwear labelling](#) – whether the material is ‘leather’, ‘coated leather’, ‘textile’ or ‘other’.

If you have used leather in a footwear product, you can add a ‘genuine leather’ tag to confirm its authenticity. Beware that this can give the impression that it is a product made completely out of leather.

#### Made-in labelling

The European Commission is working on mandatory origin labelling (the ‘made-in label’) in Europe for all non-food products, including footwear. Until now, made-in labelling is optional, but some buyers already require made-in labelling from their suppliers. Others will be seeking to experiment with it in the coming years in anticipation of upcoming legislation.

## Tips

Check with your buyers to make sure your labelling meets the legal requirements in Europe.

Find out whether your buyers are interested in made-in labelling. It may be an additional selling point.

For more details on labelling, see [the European Commission's information on footwear labelling](#) or the [EU Export Helpdesk footwear labelling pages](#).

## Packaging

Products imported into Europe are subject to European packaging requirements. These requirements aim to promote the reuse of packaging and to reduce waste, as shoeboxes account for millions of tonnes of waste. Retailers are responsible for the way their products are packaged for sale in shops, but they often ask suppliers to do this for them.

There are many innovative packaging concepts on the footwear market. Many of these address environmental impact. [Puma's 'Clever Little Bag'](#) reduced Puma's cardboard waste by 65%. [Brooks Running Shoes' bamboo shoe canister](#) offered customers a natural, beautifully designed canister that can be reused for many purposes. Here are [more examples of innovative shoe packaging](#).

Particularly at the high end of the market, packaging concepts are designed more for aesthetic purposes. Examples: [Brandart packaging](#), [Scatoloficio Al Capriccio](#), [Görtz kids' shoe packaging](#).

## Tips

Strengthen your competitive position by asking your buyer how you can meet packaging requirements. Find out as many details as you can regarding his needs and wishes.

Ask where to place bar codes and data for the buyer's processing and storage systems.

Look for ways to reduce and reuse packaging waste. If you can improve your performance in this area, use it as a selling point in communicating with buyers.

Be aware that you can be held responsible for damage caused by defects to your products or packaging. This is called product liability. For more information, read our study on [European liability legislation](#).

Consider alternative inks for printed packaging, such as [soy ink](#).

For more info on eco-friendly packaging, read this [article on the evolution of eco-friendly packaging](#).

For information on legislative packaging requirements in Europe, see the section on requirements in this study and our general study on [requirements on the European footwear market](#).

## 2. What makes Europe an interesting market for leather?

### Developing countries are gaining ground in European leather footwear

The share of developing countries in leather (footwear) production has been steadily growing for several decades. The main reason is that manufacturers in the European Union (EU) have increasingly relocated

production facilities to lower-cost countries. This began with shoe uppers, but leather processing (tanning) and footwear manufacturing have followed. This shift from Europe to developing countries is still continuing, creating increasing opportunities for suppliers from developing countries.

Some European countries, for example Portugal, remain very strong in leather footwear production. While offering lower costs, developing country suppliers also face several challenges. In many developing countries it is difficult to get high-quality raw material. Manufacturing skills and technical knowledge also need developing. Furthermore, there are also environmental issues that need to be resolved. For instance, many tanneries cause pollution or use chemicals that have been banned in Europe.

Various countries in Europe are known for different specialties in leather footwear production. [Italian innovation](#), especially in the Santa Croce area, is well known. [‘Made in Portugal’ products](#) are gaining ground and [Portuguese production benefits](#) are also well known. [Spain’s footwear industry](#) is also growing. [In the Netherlands, Van Bommel footwear](#) is known as a quality product.

## Germany is the largest footwear market in Europe

Between 2009 and 2013, Germany was Europe’s leading overall footwear importer, with an import share of 19% in terms of value. Textile uppers showed particular growth, both from outside Europe (57%) and from other European countries (26%). Germany was followed in import share by France (14%), the United Kingdom (13%) and Italy (12%). The Netherlands ranked sixth (8%), followed by Belgium (7%) and Spain (6%).

As a developing country supplier, you can use these figures as a guideline to focus on your growth potential in a specific country, taking into consideration that strong market growth is no guarantee for easy business. Rising growth figures may be an indicator of economic growth, but also remember to study total volumes and average prices to come to a reliable conclusion about real potential.

### Tips

Always look at the history of a country you are considering as an export destination. If it has a shoe manufacturing background, then realise you will be facing knowledgeable buyers. This can make doing business easier, but negotiating more difficult: people with know-how will understand your manufacturing processes, but are also better at pricing.

In the country you are targeting, always focus on the company showing the largest growth. Its success will most probably create increasing demand and a need for new suppliers.

Germans consumers accounted for per capita footwear sales of €131, but per capita consumption in other leading European countries was higher: Italy (€162), the United Kingdom (€157), France (€156) and Spain (€144).

General footwear imports are showing strong growth – 10% and more – in Slovakia, the Baltic states, Poland, Romania and Sweden. In Greece, Croatia, Ireland, Luxembourg, Cyprus and Malta, footwear imports are decreasing. The main reason for this is economic pressure.

Generally speaking, countries with high imports, such as Germany, are easy to access, as there are a lot of buyers there looking for suppliers. The important thing when entering these markets is to find buyers whose needs in terms of volume match your capacities. Giant retailers like [Deichmann](#) may look attractive, but their volume requirements may well be too extensive for you.

## Tips

Whichever country you target, make sure you find buyers who match your business.

If your volumes are limited, aim for buyers who operate in a single country rather than buyers who need products for a number of countries at the same time.

Study the average income in a country to understand the product quality. Most probably low average income will mean a lower product quality/price ratio.

## Leather footwear exports from Europe - including re-exports - are rising

Worldwide, Europe exports around 10% of footwear. Asia is by far the biggest footwear exporter, with a share of over 80%, according to the [World Footwear Yearbook 2016](#). China produces almost six out of every ten pairs of shoes sold in the world – and many of these are exported. Vietnam reached a share of 7% in worldwide exports in 2015.

## Tips

Focus on the specific strengths and reputation of your target country to create business.

Investigate competing countries to understand their weaknesses and limitations: this will help you choose a clearer strategy.

Leather footwear is the main European footwear export product. This is because Europe has long enjoyed a strong reputation for fashionable designs, high-quality leather and high-quality shoe manufacturing.

Leather footwear represents almost 80% of European production, confirming the positioning of European footwear production at the high end of the market, according to a 2015 [study published by IndustriAll European Trade Union](#).

Footwear exports from Europe, particularly leather uppers, have continued to rise in recent years. From 2009 until 2014, exports to third countries increased by 46% in quantity and 78% in value, according to the [European Confederation of the Footwear Industry](#).

Ten out of the world's top fifteen exporters are European: Italy, Belgium, Germany, Spain, the Netherlands, France, Portugal, the United Kingdom, Romania, and Slovakia. The main European production countries – Italy, Portugal and Spain – account for 23% of global leather footwear exports.

These exports include re-exports. Re-exports are the main reason why Europe's export figures are higher than its import figures. Re-export percentages are highest in Germany, Belgium and the Netherlands.

The largest export markets for European footwear are Russia, the United States and Switzerland. But other countries – especially China, the United Arab Emirates and Turkey – have seen the biggest growth in recent years, according to [data published by the European Commission](#).

As for imports, leather footwear is the largest footwear product imported in Europe in terms of value, followed by rubber and plastic footwear and textiles footwear. In terms of pair numbers, rubber and plastic shoes are the

largest import category.

### Tips

When you do market research, do not just look at the largest markets in Europe, but consider what type of market will benefit your business most: a market known for innovation, such as Italy, or a new growth market, such as those in Central and eastern Europe.

Consider the possibility of re-exports, too. This means you sell your products to a European buyer who re-exports them to another perhaps non-European market. Germany, Belgium and the Netherlands are Europe's leading re-exporters. For example, consider supplying a lower-cost leather footwear collection to a European re-exporter.

For more information on the market channels and segments in European footwear, see [our study on market channels and segments in European footwear](#).

## 3. Which trends offer opportunities in the leather footwear niche market?

### Signs of renewed growth for Europe's footwear market

One of the most important European market trends is that the economy is slowly recovering from the recession that began in 2008. The recovery is positively affecting the footwear market. This is one reason why many footwear buyers are looking for new suppliers, especially in lower-cost countries.

### Favourable trade agreements can help you compete with China and other supplier countries

China is Europe's largest footwear supplier. But imports from China are under pressure, because of rising labour costs and import duties. European buyers are looking for alternatives. The most interesting segment in this respect is leather footwear. Its high export prices means the savings on import duties are substantial.

Europe's [Generalised Scheme of Preferences \(GSP\)](#) has caused some shifts in global supply chains since 2014. The scheme allows some countries to pay less or no duties on exports to Europe. This has improved the competitive position of countries benefiting from GSP arrangements, such as Cambodia, Bangladesh and Pakistan.

If you are based in a country listed in Europe's current GSP, you have a strong competitive advantage over suppliers in non-GSP countries. Your prices, by default, are several percent lower. If you can present a great leather product manufactured through a controlled chemical process that complies with European requirements, then there are major opportunities (see also the next section on requirements).

### Tips

If your country enjoys free trade under the GSP, make sure to communicate this with potential buyers, as it means you can offer very competitive prices.

The GSP is scheduled for review after 31 December 2016. Check the European Union's GSP pages regularly using the link provided above. Changes may impact your competitive position.

Find out more about import duties using this [online duty calculator](#).

For more information on the main competitive factors you will face in this and other footwear

segments, see our study on [competition in the European footwear market](#).

## Traditional leather shoes are popular among Europe's growing numbers of senior citizens

Surveys suggest that in the next 50 years increasing lifespans and low fertility levels will contribute to an ageing population in Europe. Senior citizens represent a significant footwear market opportunity, as many Europeans over the age of 65 have both purchasing power and leisure time.

Senior citizens who like traditional, high-quality leather footwear offer good opportunities for you as a supplier.

### Tips

Make an effort to understand the needs of senior citizens by monitoring the media and major retailers.

Consider creating leather footwear products that cater specifically to senior citizens and their (health) needs.

Consider common ageing factors in the design of products for senior citizens, for instance, incorporating elements like simple closures and fasteners, easy-to-read labels, easy care, and comfortable fabrics.

## The health trend is an opportunity in leather footwear

An important trend affecting footwear is the health trend. Europeans are more health-conscious than ever nowadays. This means there are exciting opportunities for many kinds of footwear, including many specialty variations, such as sports, health and outdoor shoes.

More and more European consumers are realising that the shoes they wear can significantly affect their foot health and general wellbeing. This means choosing good quality shoes and being aware of good fit is essential. For example, the United Kingdom's [Healthy Footwear Guide](#) offers manufacturers and consumers help in this area; the initiative is [backed by a growing number of footwear companies](#).

Combining leather products with health benefits is a good market opportunity for you.

### Tips

Study examples of healthy footwear. For some examples, see [this article's 'healthy shoe review'](#).

Find out what features European buyers and consumers look for in healthy footwear.

Clearly emphasise the health benefits of your leather footwear to tap into the health trend.

## E-commerce and social media are shaking up the market

European consumers increasingly buy their footwear online. Apart from shopping online, consumers also use the internet and social media to follow trends and develop their own styles and preferences. In Europe, consumers



buy more footwear (and clothing) than anything else online. Companies that combine e-commerce and online activities with offline commerce will be the most successful.

### Tips

Find out what is happening on the footwear market with regard to e-commerce and social media. For example, look at this [social media overview](#) to find out what there is and how to use it.

Become an active user. Follow brands within and outside your segment, use social media for your own communication, marketing and/or branding.

Find out what your buyers are doing online and ask how you can support them, for example by supplying good photo and video material of products.

For more information on important trends affecting European and global footwear, see our study on [trends in European footwear](#).

## 4. What requirements must niche leather comply with on the European market?

### Legal requirements: product safety, health and labelling

Buyer requirements can be divided into three categories: 1) *musts*, requirements you must meet in order to enter the market, such as legal requirements; 2) *common requirements*, or those you have to comply with in order to keep up with your competitors; and 3) *niche market requirements*, for specific segments.

There are many requirements your footwear products have to comply with by law in order to be sold in Europe. The main areas they cover are product safety (all products), use of chemicals, labelling, and use of materials derived from wild plants and animals.

#### Product safety

Europe's [General Product Safety Directive](#) basically states that all products marketed in Europe must be safe to use. The directive forms a framework for all legislation aimed at specific products and issues. Even if there are no specific legal requirements for your footwear product and its uses, the General Product Safety Directive always applies.

### Tip

For more information, see the section on the [General Product Safety Directive \(GPSD\) at the EU Export Helpdesk](#).

#### Chemicals and restricted substances

The European Union has restricted a great number of chemicals in products marketed in Europe. These are listed in the [Registration, Evaluation, Authorisation and Restriction of Chemicals \(REACH\) regulation](#) (Regulation (EC) 1907/2006). The rules laid down in this regulation are mandatory. If you do not follow them, you cannot compete in Europe.

In March 2014, the European Union adopted a law that restricts the chromium VI content in leather products. Chromium VI compounds can be formed in leather through the oxidation of chromium III compounds, which are added in some tanning processes. The restriction is that the chromium VI content should not exceed 3.0 mg/kg.

## Tips

Look for alternatives to leather tanned with chromium VI, such as [vegan leather](#), [wet white tanning](#) or [eco leather](#).

Familiarise yourself with the full list of restricted substances in products marketed in Europe by checking out [restricted chemicals in textile and leather products at the EU Export Helpdesk](#).

In order to determine how you might be affected by REACH, see our [document on REACH](#).

Make sure you know Europe's labelling requirements, too. For more information, see the [textile labelling rules at the EU Export Helpdesk](#).

For an overview of all legal requirements that apply to your product, see the [EU Export Helpdesk](#), where you can use your product code to access a list of relevant requirements.

Get information from testing organisations on how to make sure your footwear meets the relevant technical requirements, for instance the United Kingdom's [Satra Technology](#).

## Products from wild plants and animals

If you use parts of wild plants or animals in your product – for example, crocodile leather – you must ensure these are not from endangered species and thus do not fall under the restrictions of the [Convention on International Trade in Endangered Species \(CITES\)](#).

The EU has implemented these requirements in its [Regulation 338/97](#). The Regulation includes a list of restricted species (including products thereof) and special procedures where applicable. [The EU has separate laws on trading in seal products](#), such as seal fur.

Crocodile and python leather from farm-grown animals can be imported into Europe with a special permit. Getting an import license is difficult. Some buyers are hesitant to buy such leather, partly because leather from farmed crocodiles may be associated with endangered wild crocodiles by consumers.

## Tips

Find out whether your products are subject to CITES restrictions and make sure you adhere to them.

For more information on European laws related to CITES, visit the CITES website or see look at the section on [CITES at the EU Export Helpdesk](#).

Read [EU Export Helpdesk's](#) information on trading in seal products.

## Safety shoes and CE marking

If you produce leather safety shoes, you have to make sure that they meet the strict standards set for personal protective equipment (PPE). Safety shoes must be tested against these standards and bear the CE mark. CE marking is a mandatory conformity scheme for certain products sold in Europe. The letters 'CE' are the

abbreviation of French phrase 'Conformité Européenne', which means 'European Conformity'.

## Tips

Read up on [CE marking in Europe](#).

Find out more about [specific standards for personal protective equipment in Europe](#). For example, safety shoes face requirements regarding slip-resistant soles, protection against chemical substances or fire resistance. Find out which standards are applicable to your leather product.

Read the [EU Export Helpdesk](#) information on CE-marking for safety shoes.

For more information, see our study on [buyer requirements on the European footwear market](#).

## Common requirements: care labelling and sustainability

In addition to the legal requirements you will face as a developing country supplier exporting leather footwear to Europe, you will also face requirements that are not mandatory, yet unavoidable.

### Care labelling

Care labels attached to garments offering care and cleaning instructions are important to European consumers. In most European countries, the care labelling system of the [International Association for Textile Care Labelling, GINETEX](#), is used. This system uses easily recognisable symbols to recommend garment care. According to the GINETEX standards, your footwear labels should include instructions on: general care and warnings; washing; drying; ironing; and/or professional textile care (dry-cleaning).

### Sustainability performance

Sustainability requirements, though still widely differing, are gaining ground in the European footwear market. Many buyers have non-negotiable standards in this area. A strong sustainability performance is perhaps not yet vital to doing business in Europe, but it certainly offers you a competitive advantage.

## Niche requirements: certified sustainable products

While sustainability is gaining ground, the actual use of certification is still a niche in this sector. If you can offer it, you have a good chance of reaching higher segments with bigger margins. Think, for example, of fair-trade cotton, or eco-labelled products.

## Tips

Collaborate with your suppliers and subcontractors on developing transparency and sustainability in the entire supply chain.

Develop an open costing structure so that buyers will better understand price differences and profits made. More and more buyers will expect this from you.

If your environmental performance is already at a high level, consider building on this quality to specialise in eco-friendly leather footwear.

For detailed information on niche sustainability requirements and standards, as well as tips on how to enter this niche market, see our study on [buyer requirements on the European footwear market](#).

## What competition will you be facing on the European leather market?

The best opportunities for leather footwear in Europe are in the mid to high price levels. Here, volumes are low and quality levels are high. Artisanal handicraft is highly appreciated by European customers in these segments and is a strong selling point.

Much of this high-quality leather footwear is produced in Europe (see also the earlier section in this study on why Europe is an interesting market for leather footwear). As the market for leather footwear grows, along with economic pressure, both consumers and manufacturers are looking for sources offering the same quality levels at lower prices. This offers good opportunities to suppliers from developing countries.

Specialised factories and brands based in Asia and South America targeting the European market are strong competitors in the leather footwear segment. They produce high-quality products with high flexibility and small minimum order quantities (MOQs) at competitive prices. They often have access to cheap raw materials. Most of these factories are based in India, Vietnam, Korea, Brazil and Argentina. Examples include Brazil's [Jorge Bischoff](#) and India's [Valentino](#).

### Tips

Specialise in whatever way you can, for example through quality, design, material combinations or service: increased specialisation means a stronger competitive position.

For an overview of the main competitive factors you will face in this and other segments, see [our study on competition in the European footwear market](#).

## Which channels can you use to put your leather products on the European market?

The European footwear market is highly fragmented. This means it can be segmented in many different ways, for example on the basis of price, volume, functionality or demographics. Leather footwear products find their way into most of these segments.

The segments offering the best opportunities are the middle and upper segments. This is because you can add more value here and reach higher margins.

Producing leather shoes for a niche segment can be profitable, especially if you succeed in creating business continuity. In many cases it is advisable to work through an agent or buying organisation. This will help you reduce marketing and distribution costs and consolidate orders. The biggest advantage of working with these organisations is that they know the market and trends and have the contacts.

### Tips

Do thorough market research to identify the most suitable countries and segments.

For more information, see our study on [market channels & segments in European footwear](#).

## 5. What are the end-market prices for leather products?

### Leather footwear prices are rising

Leather footwear costs more on average than any other type of footwear produced in Europe and its price has been steadily rising. One possible reason for this is the increase in material costs. Another is the fact that European consumers recognise the intrinsic added value of footwear made in Europe: other important types of footwear produced in Europe show a lower increase in price.

This development presents both an opportunity and a challenge. On the one hand, you can compete with European manufacturers by offering lower-cost leather footwear. On the other hand, those European manufacturers have a strong reputation, which means you have to work on your branding and deliver outstanding quality.

### Consumer prices range from around 140 to 300 euros

In the European leather footwear market, consumer prices range around €140–300. Retailer margins are between €2.50–3.00. So if a sales price is €300 and the seller works with a three-fold margin, the buying price has to be around €100.

If you have sold your products through an agent, he will take a percentage of 5–15%. So your factory price has to be around €90, including transport and clearance to Europe.

If you produce for a footwear brand that delivers directly to the store or to the consumer, the margin of the store will be only €2.50. So a €300 pair of shoes will cost the shop €120. Brands usually have a five-fold margin for direct sales to consumers. So a consumer price of €300 is based on a factory cost price of €60.

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