

What is the demand for home decoration and home textiles in the European market?

The European market for home decoration and home textiles is growing. A considerable share of the imports comes from developing countries. Leading importers Germany, United Kingdom, Netherlands and Spain offer you particularly good opportunities. Emerging markets Poland and Romania are also promising. Textile travel accessories, chairs and kitchenware are especially interesting products for the European market.

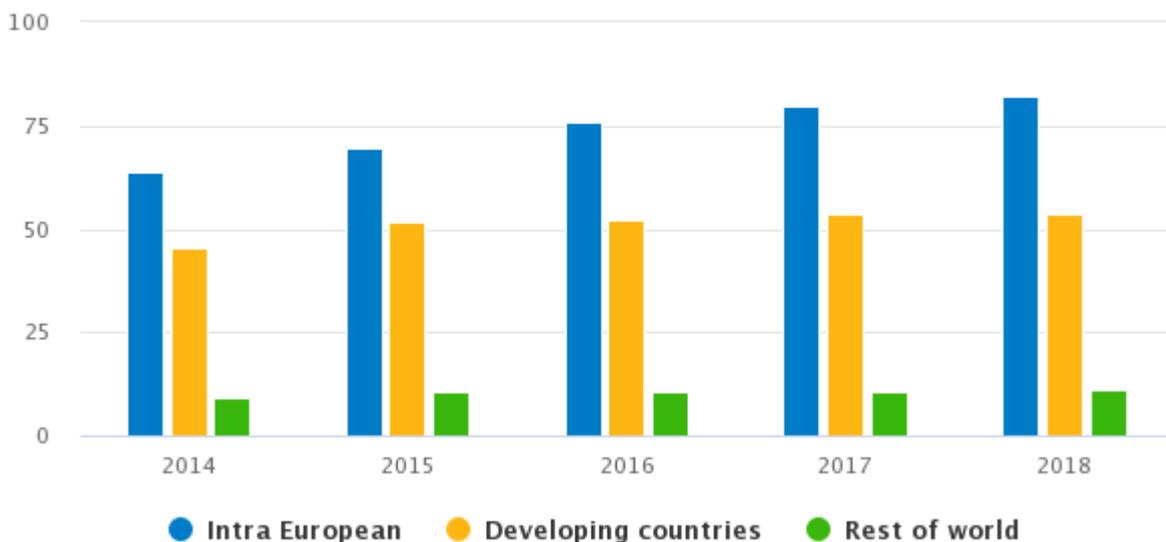
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1. What makes Europe an interesting market for home decoration and home textiles?

European imports of home decoration and home textiles (HDHT) products are steadily increasing. The market is expected to continue to grow, with a substantial share sourced from developing countries. Although China is Europe's leading supplier by far, the large European market offers good opportunities for suppliers from other developing countries as well.

Figure 1: European imports of home decoration and home textiles
in € billion



Source: Eurostat

European imports of HDHT products showed continuous and stable growth between 2014 and 2018. Total imports grew from €118 billion to €147 billion in the period at a rate of 5.5% per year. Import volume also grew (4%), going from 24 million tonnes in 2014 to 27 million tonnes in 2018. The fact that import value growth outpaced volume growth doesn't necessarily indicate an average price increase, as developments in the types of imported products also influence value.

These developments and an expected average growth of European GDP in the next few years suggest that

European imports of HDHT products will continue growing moderately in the coming years.

Developing countries are important players in the European market

Developing countries accounted for 37% of the total European imports of HDHT products in 2018 with €54 billion. A lot of these products are re-exported within Europe, which is reflected in the 56% share of intra-European trade in European imports.

Imports from developing countries grew by 4.3% in value and 3.2% in volume between 2014 and 2018. In the coming years, these imports are expected to keep growing moderately as they did in the 2014-2018 period.

Europe relies on imports to meet the demand for home products

Despite peaking at €157 billion in 2015, European production of HDHT products went down from €150 billion in 2013 to €142 billion in 2017, an average annual decline of 1.4%.

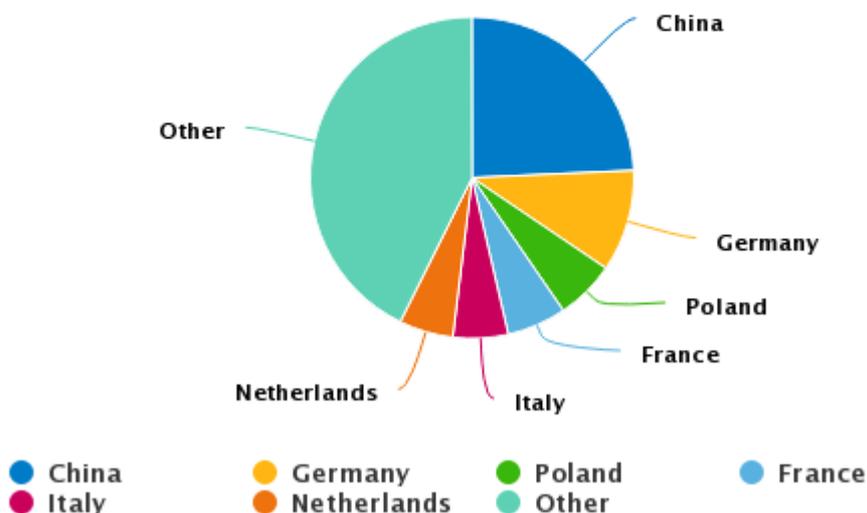
Similarly, European consumption of HDHT products also peaked in 2015. After this peak, consumption stabilised at €170 billion in 2016 and 2017. The average growth was 0.2% in 2013-2017.

Europe's domestic HDHT production is not enough to meet the European market demand. The resulting gap is almost €30 billion per year, a demand that needs to be fulfilled by imports from outside the EU. This makes Europe an interesting market for developing country suppliers.

China is Europe's leading supplier

Figure 2: European imports of home decoration and home textiles, 2018

in € million



Source: Eurostat

China accounts for roughly a quarter of European HDHT imports, making China Europe's leading supplier of HDHT products by a long margin. In 2018, Chinese exports to Europe decreased slightly (-0.5%) for the first time in decades. This might be an indication of China's growing focus on its domestic market instead of the export market. Experts had already identified this development a few years before, but 2018 was the first year when the decline in Chinese exports to Europe was made visible. Nonetheless, China's export value to Europe is still considerable. However, Chinese manufacturers primarily focus on production, not adding value in terms of design, marketing and branding.

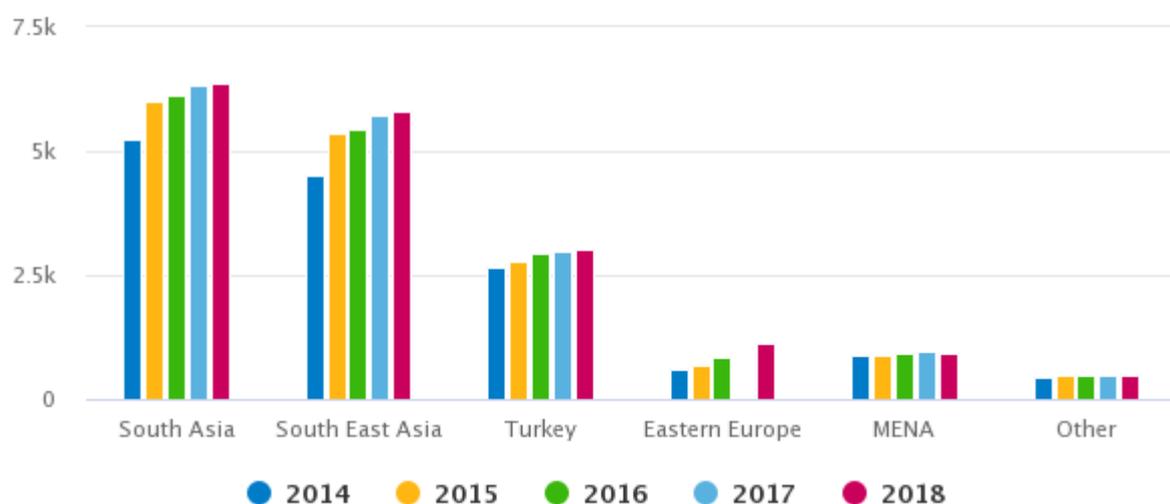
After China, five European countries make up the top-six largest suppliers to the European HDHT market. Trade from these countries consists of three product categories:

- Re-exported products from a developing country, as explained above;
- High-end products from Western and Southern European countries, of well-known premium brands with a long history;
- Low to medium end products from Eastern European countries like Poland. This is also the category of products that is the most interesting for exporters from developing countries.

Many other developing countries export to Europe

Besides China, developing countries with significant exports to Europe include India (€3.6 billion), Turkey (€3 billion), Vietnam (€2.6 billion) and Pakistan (€1.8 billion). Imports from Vietnam and Pakistan in particular have grown strongly in the 2014–2018 period, at 10% and 7.3% respectively. Even after grouping developing country exports together by region, China’s dominance in exporting HDHT products to Europe is still evident. See Figure 3 below for more details.

Figure 3: HDHT exports to Europe from developing countries besides China, grouped by region (except for Turkey)
in € million



Source: Eurostat

* Turkey is part of MENA (Middle East and North Africa), but has been presented separately because its HDHT exports to Europe alone account for more than three times much as all other countries in MENA combined.

South Asia is the largest supplying region of HDHT products to Europe. India dominates this group, exporting twice as much in value as Pakistan, the second exporter of HDHT products to Europe in South Asia. The following figures show the total value of HDHT exports to Europe per country in South Asia in 2018, and their average growth trend in the 2014–2018 period:

- India: €3.6 billion, growth
- Pakistan: €1.8 billion, growth
- Bangladesh: €739 million, growth
- Sri Lanka: €111 million, stable
- Nepal: €30 million, stable
- Afghanistan: €3 million, growth

South East Asia takes a firm second position as a supplying region of HDHT products to Europe. The leading

exporter of HDHT products to Europe in this region in the 2014–2018 period was Vietnam, followed by Thailand and Indonesia. Exports of HDHT products from Cambodia and Myanmar have grown the fastest in this group in the same period. The figures below show each country's value of HDHT exports to Europe in 2018, and their average growth trends in the 2014–2018 period:

- Vietnam: €2.6 billion, growth
- Thailand: €1.5 billion, stable
- Indonesia: €868 million, growth
- Malaysia: €367 million
- Cambodia: €259 million, fast growth
- Philippines: €118 million, slow growth
- Myanmar: €80 million, fast growth
- Laos: €6 million, fast growth

Ukraine, Bosnia and Herzegovina, and Serbia dominate Eastern European supplies to other European countries. Each of these three countries exported between €250 million and €290 million in HDHT products per year to the rest of Europe in 2018. The HDHT export values of the other Eastern European countries to other European countries in 2018 are listed below by country, as well as their respective growth trends in the 2014–2018 period:

- Belarus: €126 million, fast growth
- Moldova: €87 million, moderate growth
- North Macedonia: €71 million, moderate growth
- Albania: €45 million, strong growth
- Kosovo, Armenia and Uzbekistan: under €5 million each, growing

In the MENA region, Morocco, Tunisia and Egypt clearly dominate HDHT supplies to Europe, each exporting between €240 and €320 million in 2018. Far behind this top three came Iran with €42 million, Lebanon with €17 million, and Jordan with €10 million in HDHT exports to Europe in 2018. Export values of HDHT products to Europe from Lebanon and Jordan went down in the 2014–2018 period, while Iran's remained stable.

Tips:

Compare your products and your company to the strong competition from China, India, Turkey, Vietnam and Pakistan. You can [use the ITC Trade Map to find exporters per country](#). Compare aspects like market segment, price, quality and target countries.

See our [studies per HDHT product group](#) to determine the competition for your specific products.

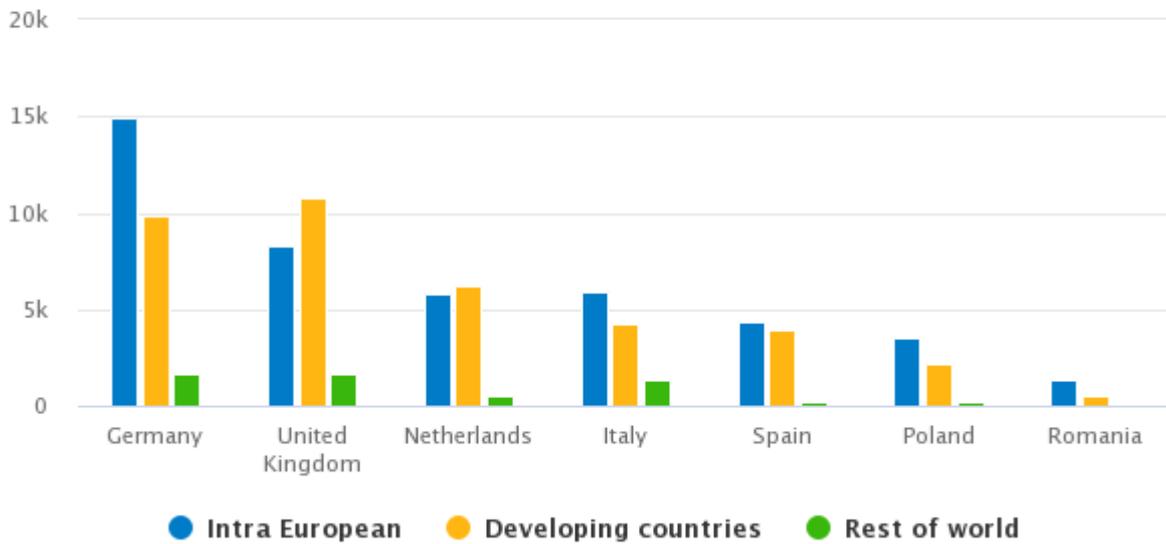
For more information about the roles of Chinese and Eastern European suppliers, see [our study on trends in the European HDHT market](#).

2. Which European markets offer most opportunities for home decoration and home textiles?

As Europe's main importer of HDHT products, Germany is an interesting focus market for non-EU exporters. The United Kingdom, the Netherlands and Spain are other promising leading markets with a relatively large focus on imports from developing countries.

Figure 4: HDHT import values of selected European countries 2018

in € million

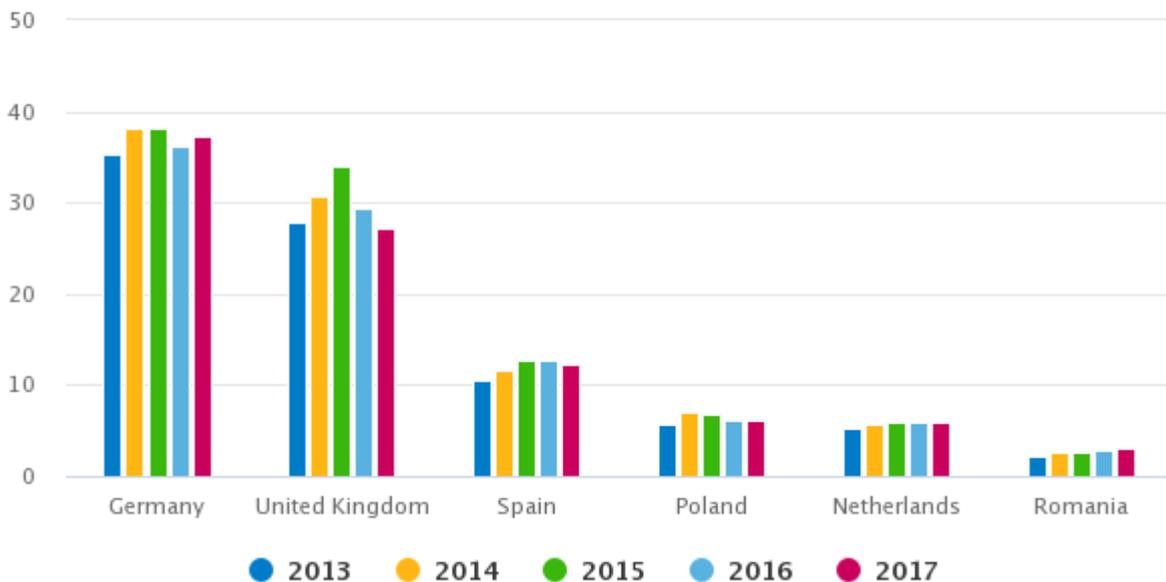


Source: Eurostat

Other European countries offering you opportunities include Poland and Romania, where HDHT imports from developing countries and HDHT consumption are growing fast.

Figure 5: HDHT consumption in selected European markets

in € billion



Source: Eurostat

Germany is Europe’s largest importing country

Germany is Europe’s largest importer of HDHT products, with €26 billion in 2018, making up 18% of all European HDHT imports. Most German HDHT imports (56%) arrive from within Europe — although a considerable share of it originally come from a developing country in the first place. Direct imports from developing countries in 2018 reached 37% of all German HDHT imports nonetheless, at an impressive value of

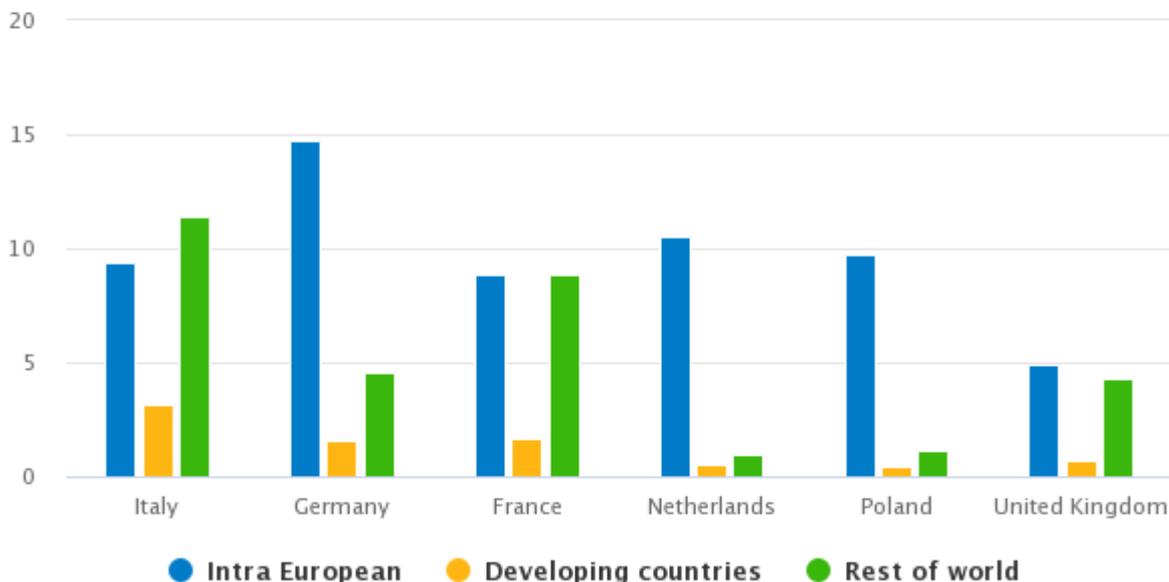
nearly €10 billion.

German HDHT imports grew slightly between 2014 and 2018. Import value of HDHT products from developing countries to the German market grew moderately in the same period as well, at 1.5% on average per year. The import volume from developing countries also increased in that period, although at a slower rate: 0.5% yearly on average.

In addition to being Europe's main importer and largest market, Germany also exports a lot of HDHT products. Most German HDHT exports consist of re-exports, since Germany is not a significant HDHT producer. Germany is in fact the second-largest European HDHT exporter, with close to €21 billion worth of exports in 2018. Slightly more than 70% of these exports go to other European countries, clearly showing that the German market is not only a large market, but also an important trade hub.

Figure 6: Main European HDHT exporters 2018

in € billion



Source: Eurostat

More than 50% of the United Kingdom's HDHT imports come from developing countries

The United Kingdom is the only European country that sources more than half of its HDHT imports from developing countries: 52% or €10.8 billion. This makes the UK Europe's largest market for HDHT products directly imported from developing countries. The UK has historically had trade ties with several developing important HDHT exporting countries and British companies directly buy in Asian countries to a large extent, instead of buying from companies in Europe.

Accounting for 14% of Europe's HDHT import value, the United Kingdom is among the leading European importers of HDHT products. Although the average annual growth in total HDHT import value has been lower than the general European trend (3.2% versus 5.5%), the UK remains one of the most interesting and important European markets for developing country exporters.

The Netherlands is a key European trade hub and a growing market

Another important European importer of HDHT products is the Netherlands. Dutch HDHT imports grew from €7.4 billion in 2014 to €13 billion in 2018. Almost half of these imports came from developing countries in 2018.

Like Germany, the Netherlands is a European trade hub. It is the fourth largest HDHT exporter in Europe: 88% of the Netherlands' €12 billion HDHT export value in 2018 went to other European markets.

Last but not least, the Dutch market itself is worth mentioning. Dutch HDHT consumption value steadily grew from €5.3 billion in 2013 to €6 billion in 2017, a 3.3% average annual increase that puts the Netherlands among the top European growth markets in the period, after just Romania and Spain.

Spain shifting to more direct imports from developing countries

Spain was the sixth-largest European HDHT importer in 2018 at €8.4 billion after growing 5.3% on average per year since 2014. The share of HDHT imports from developing countries (47%) is among the highest in Europe and is still growing: import value went up from €3 billion to €3.9 billion and volume 4.9% per year on average in the 2014–2018 period, which are considerable growth rates.

Spanish exports of HDHT products are relatively low, which means that most of the country's imports are destined for the Spanish market. Spanish HDHT consumption grew 4.1% on average per year between 2014 and 2018.

Tips:

Focus on the relatively large import markets of Germany, the United Kingdom, the Netherlands and Spain. The combination of market size and strong performance of developing countries in these markets makes them especially interesting.

[Brexit](#), the United Kingdom leaving the European Union, has decreased the value of the British Pound. Industry experts report that as a result, more British buyers have started importing directly from developing countries, rather than buying from European importers. However as the situation surrounding Brexit is still fluid and insecure, you should keep a close watch on the developments.

Use European HDHT trade associations to find trading partners. Key associations include [EURATEX](#) (textiles) and [EFIC](#) (furniture). National associations such as [HWB](#) (Germany), the [Giftware Association](#) (United Kingdom) and [VIA](#) (the Netherlands) can also be useful.

Visit European trade fairs to find trading partners. The most important HDHT trade fairs in the European market are [Ambiente](#) and [Heimtextil](#) (home textiles) in Germany and [Maison et Objet](#) in France. Other interesting events in the large markets include the [Autumn Fair](#) and [Spring Fair](#) in the United Kingdom, [showUP](#) in the Netherlands, [Trendset](#) in Germany and [Intergift](#) in Spain.

See our [studies per HDHT product group](#) to determine the most relevant European trade associations and fairs for your specific products.

Emerging markets: Poland and Romania are promising

Although Poland and especially Romania are not leading HDHT importers yet, they offer good opportunities for the future. Both of these emerging Eastern European markets registered above-average import growth between 2014 and 2018: 11% and 16% respectively. This has made Poland the eighth-largest European HDHT importer with €5.8 billion, while Romania overtook Portugal to reach the 14th place in Europe with €1.9 billion.

Import shares from developing countries have been growing in both markets in the same period. Poland imported €2.2 billion in HDHT products from developing countries in 2018 compared to €1.2 billion in 2014. Romania's HDHT imports from developing countries grew from €271 million to €511 million. Romania was also the country with the highest consumption growth in Europe in this period: 6.9% per year on average.

Tips:

Explore opportunities in Poland and Romania. These markets currently offer opportunities in the mid- to low-end market segments, but as their HDHT markets mature, further opportunities may arise in higher-end segments as well.

Be aware that a particular market segment (high, middle or low) may behave similarly across several countries, whether they are major markets, such as Germany, or emerging markets, such as Poland and Romania. In other words, you can use trade hubs, such as Germany and the Netherlands, to reach Poland and Romania indirectly within your segment.

Visit European trade fairs to find trading partners in Poland and Romania. In addition to the leading European HDHT trade fairs, visit the [Warsaw Gift & Deco Show](#) and [Home Décor](#) in Poland, or [Bife Sim](#) in Romania.

Opportunities in France and Italy are relatively limited

France and Italy are among Europe's largest importers of HDHT products, ranking second and fifth respectively. However, opportunities to increase your exports to these destinations might be relatively limited because:

- HDHT consumption in France and Italy is declining: -0.7% and -4.3% respectively in the 2013–2017 period.
- Italy is the largest HDHT producer in Europe (€32 billion in 2018) and France is the third largest. Together, the two countries accounted for nearly one-third of the total European HDHT production.
- Developing countries have a relatively small (25%) share of France's HDHT imports. The average annual growth of HDHT imports from developing countries into both France and Italy was also relatively low compared to the growth of their total HDHT imports in the 2014–2018 period, meaning that the import share from developing countries in these markets actually decreased in those years.

Tip:

Consider focusing on France if you are from a French-speaking country, simply because French companies prefer to do trade in French rather than in English.

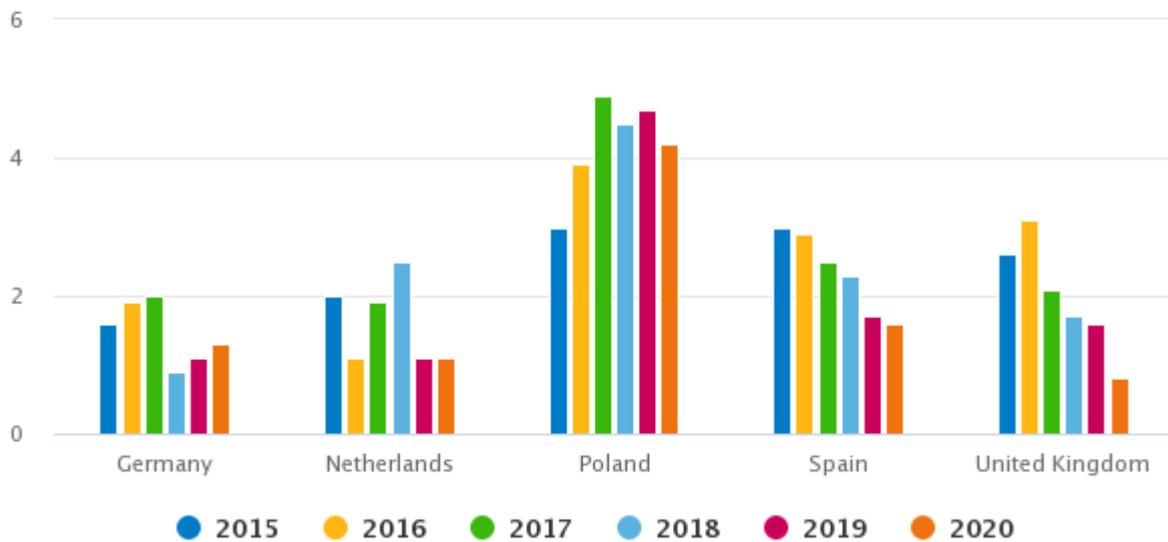
Macro-economic indicators give additional direction

Economic conditions are important indicators of the European HDHT market. For example, when consumers have more money available, their expenditure on non-essential and luxury products like home articles is likely to increase. Another indicator is the housing market; the construction of new houses means that they need to be decorated and furnished, so these numbers are relevant for the HDHT industry.

Real private consumption expenditure growing strongly in Poland

Figure 7: Real private consumption expenditure annual growth in selected European markets

in %



Source: Eurostat

Real private expenditure is commonly used as an indicator of a country's economic health and standard of living. Figure 7 shows that Poland had the highest growth in real private expenditure in the recent past and in the short term projection. The other countries also show consistent growth, although at declining rates. Growth in private consumption expenditure means that consumption of luxury and decorative products is likely to rise.

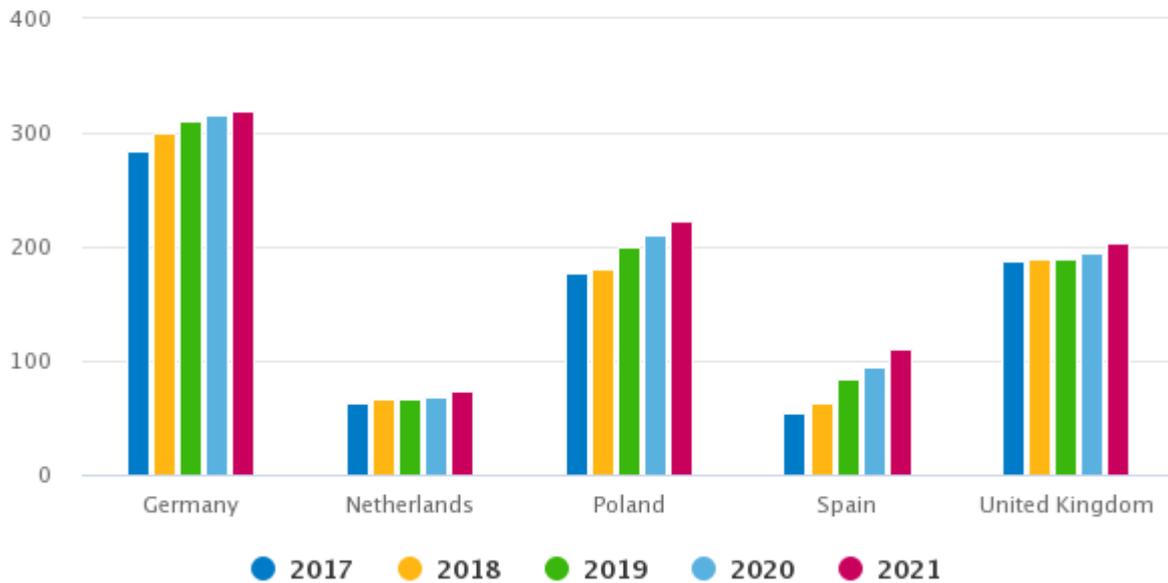
Due to saturation, growth in consumption of non-essential and luxury products like home decoration and textiles is expected to be moderate in mature markets, such as Germany, the Netherlands, Spain and the United Kingdom. In emerging markets, such as Poland, however, increase in real private expenditure means consumers have more room to spend on home decoration and home textile products.

New residential construction

Developments in the housing market also affect the European market for home decoration and household textiles. One relevant indicator from the housing sector are statistics on housing completions (see Figure 8). Between 2017 and 2021, an increase in new-built housing is expected in Europe, especially in Germany, Poland and Spain. These houses need to be furnished and decorated, which could indicate growth in consumption for the home decoration and household textiles sector, especially in those countries.

Figure 8: Housing completions

in thousands



Source: Euroconstruct

Tips

Make sure to follow the macro-economic indicators of the countries you want to enter. Useful indicators that can influence demand include private consumption expenditure and new housing completions. The combination of these indicators may assist you in making the right decisions in your business and marketing planning.

For an overview of European economic forecasts, please refer to the information on [economic and financial affairs](#) published by the European Commission.

3. Which products from developing countries have most potential in the European market?

The HDHT sector is large and extremely diverse, so product categorisation alone cannot cover all market opportunities. Classification of quality and price segments, style and design are equally important when defining potential. The statistics presented in this document show the main developments in European HDHT trade, but they are not meant to exclude any European country as potential market; many European countries have interesting potential buyers and re-exporters for your products and they might not be mentioned here.

However, some products from developing countries seem to have very interesting chances in European markets in the coming years. These include textile travel accessories, chairs, kitchenware, sleepwear, duvet covers (bedding) and aprons. According to the categories and product groups, textile travel accessories are placed in the category 'leisure'. Chairs in the category 'furniture and lighting' and kitchenware in the category 'homeware', sub-categorised under 'cooking'. Duvet covers, sleepwear and aprons are categorised in 'home textiles'.

Table 1: High-potential HDHT products from developing countries in the European market

Product	Category	EU import value '18 from DCs** (in € millions)	Estimated untapped potential* (in € millions)	Average annual growth from DC (2014-2018)	Supplier No 1 among DCs (% share)	Supplier No 2 among DCs	Supplier No 3 among DCs
Textile travel accessories	Leisure	€6,287	€534	4.90%	China (78.9%)	Vietnam (11.9%)	India (2.9%)
Chairs	Furniture and Lighting	€4,777	€52	6.80%	China (79.3%)	Vietnam (8.2%)	Indonesia (2.8%)
Duvet covers	Home Textiles	€2,091	€152	2.50%	Pakistan (52.5%)	China (14.7%)	Turkey (11.7%)
Sleepwear	Home Textiles	€1,787	€437	2.60%	China (35.6%)	India (18.7%)	Bangladesh (18.4%)
Kitchenware	Homeware, subcategory Cooking	€1,362	€49	3.80%	China (77.0%)	Thailand (8.9%)	Turkey (5.9%)
Aprons	Home Textiles	€827	€82	6.10%	China (37.4%)	India (16.2%)	Morocco (9.9%)

* Estimated untapped potential is based on [the EPM-model](#) and presents the calculated untapped potential European import value in € thousands from six selected developing countries in 2023: Laos, Cambodia, Indonesia, Egypt, Bangladesh and Myanmar.

**Developing countries

China dominates supplies of high-potential products

Table 1 clearly shows the current dominant position of China as a supplier of high-potential HDHT products to Europe. China is the leading supplier among developing countries for five out of six products and holds over three-quarters of the market in three of those products. Pakistan is the leading supplier of duvet covers to Europe.

China dominates the whole low-end segment in the HDHT market with functional products in large volumes, such as ceramic tableware, furniture, and five out of six product groups presented here. Exporters from Laos, Cambodia, Indonesia, Egypt, Bangladesh and Myanmar need to focus on niche markets, such as handmade articles.

Developing countries already have a well-established position in European markets

All the identified high-potential products do show:

1. Significant current import values for imports coming from developing countries;
2. Good average annual growth in the last five years;
3. Interesting estimated untapped potential values.

In all six product groups, developing countries are recognised suppliers already: the supply share of developing countries is higher than 40%. In sleepwear and duvet covers, developing countries have nearly two-thirds of the European market: 64% and 63% respectively.

Tips:

[Check our product factsheets](#) to understand which markets are especially interesting for your high-potential products.

Find out all the relevant buyer requirements for your selected high-potential products by visiting trade fairs and interviewing potential buyers.

Do not forget to analyse design and styling preferences for your relevant product. Find out more about the current trends in [our trends study](#).

This study has been carried out on behalf of CBI by [Globally Cool](#).

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