

Entering the European market for garden furniture

The European market for garden furniture offers opportunities, but the competition is strong. China continues to be a fierce competitor and the competition within the European Union is also increasing. Polish exports have especially shown growth in the past few years. These countries focus mainly on large-scale production at a low cost. To enter the European market, your products need to comply to mandatory (legal) requirements introduced by the European Union. Moreover, there are additional requirements that will improve your chances of succeeding on the European market.

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

What are the mandatory requirements?

When exporting to Europe, you have to comply with the following legal requirements:

- General product safety
- Packaging and packaging waste legislation
- REACH
- Timber regulations

Product safety

Garden furniture needs to be solid and safe to use. This is outlined in specific product standards that have been developed by the [European Committee for Standardization \(CEN\)](#) to cover safety for outdoor furniture. These standards are as follows:

- EN 581-1 provides the general safety requirements for outdoor furniture.
- EN 581-2 specifies mechanical testing methods to establish safety for outdoor seating furniture.

In addition, the [General Product Safety](#) Directive may apply. This Directive states that all products marketed in Europe must be safe to use. The Directive applies in case of additional safety issues which may not be specifically described in the product standard.

Unsafe products are rejected at the European border or withdrawn from the market. The European Union has introduced a rapid alert system ([RAPEX](#)) to list such products.

Tips:

Familiarise yourself with product standards EN 581-1 and EN 581-2 and make sure your products and testing methods comply with these standards.

Read more about the [General Product Safety Directive in the EU Trade Helpdesk](#) to understand the general safety requirements in the European market.

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

Check the [RAPEX database](#) on garden furniture for an idea of what issues may arise.

Packaging

Europe has specific [packaging and packaging waste legislation](#). EU Directive 2015/720 was adopted to harmonise measures concerning the management of packaging and packaging waste and to prevent or reduce its impact on the environment at European level. Buyers may therefore ask you to minimise the use of packaging materials (paper, carton, plastic) or to use a different kind of (recycled) material.

Europe also has [requirements for wood packaging materials](#) (WPM) used for transport, such as:

- packing cases
- boxes
- crates
- drums
- pallets
- box pallets
- dunnage

All wood packaging material and dunnage from non-European Union countries must be:

- either heat treated or fumigated in line with ISPM15 procedures;
- officially marked with the ISPM15 stamp consisting of three codes (country, producer and measure applied) and the IPPC logo;
- debarked.

These requirements do not apply to:

- wood 6mm thick or less;
- wood packaging material made entirely from processed wood produced using glue, heat and pressure, e.g. plywood, oriented strand board and veneer;
- wood packaging material used in trade within the European Union.

The objective of this Directive is to prevent organisms that are harmful to plants or plant products from being introduced into and spreading within the European Union. It also regulates imports from third countries in line with international plant health standards. Keep this in mind when you decide on the packaging of your garden furniture.

Restricted chemicals: REACH

The [REACH](#) regulation lists restricted chemicals in products that are marketed in Europe. REACH (EC 1907/2006) aims to improve the protection of human health and the environment through the better and earlier identification of the properties of chemical substances. This is done through the four REACH processes, namely the registration, evaluation, authorisation and restriction of chemicals. REACH also aims to enhance the innovation and competitiveness of the EU chemicals industry.

The restricted chemical products with regards to garden furniture are:

- cadmium compounds in various applications
- arsenic and creosotes as wood preservatives

Tip:

The European Chemical Agency provides useful information and tips on REACH. See, for instance, [REACH Annex XVII](#), a list of all restricted chemicals, [Information on REACH for companies established outside Europe](#) and [Questions & Answers on REACH](#).

Timber Regulation

The European Union's [Timber Regulation](#) states the obligations of operators who place timber products on the European market. The regulation counters the trade of illegally harvested timber and products through three key obligations:

- It prohibits illegally harvested timber and products derived from such timber from being placed on the market for the first time.
- It requires EU traders who place timber products on the EU market for the first time to exercise 'due diligence'.

Once on the market, the timber and timber products may be sold and/or transformed before they reach the final consumer. To facilitate the traceability of timber products, economic operators in this part of the supply chain (referred to as traders in the regulation) have an obligation to:

- Keep records of their suppliers and customers.

The regulation covers a wide range of [timber products](#) listed in its Annex, using EU Customs code nomenclature.

This regulation also applies to wooden garden furniture. Products with a [FLEGT](#) or [CITES](#) license comply with the Timber Regulation.

Tips:

For more information, see the [Frequently Asked Questions about the Timber Regulation](#).

The [EU FLEGT Facility](#) has more information about FLEGT licensing.

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

What additional requirements do buyers often have?

Product quality: Durability standards

Since garden furniture is exposed to natural elements, buyers may have specific quality requirements in terms of durability and resistance to temperature and humidity. As such, they may request test results and guarantees.

Specific standards have been developed by the [European Committee for Standardization \(CEN\)](#) to cover durability for outdoor furniture. These standards are as follows:

- EN 581-3 provides mechanical testing procedures for outdoor tables.
- EN 581-4 determines durability testing of outdoor furniture when exposed to environmental factors such as rain.

Functionality standards

For garden furniture, functionality is a basic quality requirement. Since Europeans are relatively tall, their furniture is relatively high as well. For instance, seating furniture ranges from 30cm to 45-50cm in height. Tables are much higher, usually around 75cm. Ask your buyers for their requirements.

You also need to consider standard cushion sizes. For normal chairs, cushions are around 46x48cm. They are larger for lounge chairs and sofas, at 60x60cm or 70x70cm.

Tip:

Assess your product quality standards against the European durability and functionality standards to see if your products and testing methods comply.

Sustainability

Social and environmental sustainability make your products stand out on the European market. Examples include sustainable raw materials and production processes. European buyers increasingly demand the following certification schemes:

- **Business Social Compliance Initiative (BSCI)**: European retailers developed this initiative to improve social conditions in sourcing countries. They expect their suppliers to comply with the BSCI Code of Conduct. To prove compliance, the importer can request an audit of your production process. Once a company is audited, it is included in a database for all BSCI participants.
- **Ethical Trading Initiative (ETI)**: This initiative is an alliance of companies, trade unions and voluntary organisations. It aims to improve the working lives of people across the globe that make or grow consumer goods.

You can use standards such as [ISO 14001](#) and [SA 8000](#) and read up on sustainable options. However, only niche market buyers demand compliance with such standards.

Sustainability is an ongoing trend. This is confirmed by a recent [study](#) by the International Trade Centre which found that, irrespective of the product, retailers in the major European markets are putting more products in their shops that are environmentally and socially sustainable, simply because consumers are asking for it. According to the survey, 98.5% of retailers consider sustainability as a factor in their product sourcing decisions. For garden furniture in particular, the [Spoga + Gafa](#) garden trade fair also confirms the prominence of sustainability. The new focus topic for the 2020 fair will be 'sustainable gardens'.

Tips:

Optimise your sustainability performance. Reading up on the issues relating to the initiatives mentioned above will give you an idea of what to focus on.

Buyers appreciate a good story. If you can show that you are focusing on your company's performance, this may give you a competitive advantage. Options for doing so include a self-assessment like the [BSCI Self-Assessment for Producers](#), or a code of conduct such as the [BSCI Code of Conduct](#) and the [ETI base code](#).

For more information, see our special study on [Sustainability in the Home Sector](#).

Labelling requirements

The information on the outer packaging of garden furniture should correspond to the packing list sent to the importer. The external packaging labels for garden furniture should include the producer name, consignee name, material used, quantity, size, volume and caution signs. Your buyer will specify what information they need on the product labels or on the item itself (e.g. logos or 'Made in...' information). This is part of the order specifications. It is common in Europe to use an EAN code or barcode on the product label. Make sure you use the English language for labelling, unless your buyer indicates otherwise.

Packaging requirements

You should pack garden furniture according to the importer's instructions. Importers have their own specific requirements for:

- the use of packing materials
- the filling of boxes
- palletisation
- the stowing of containers

Damage prevention

Proper packing minimises the risk of damage caused by impacts. How an item is packed for export depends on how easily it can be damaged. Packing 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.

Packing 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).

Dimensions and weight

Packing needs to be easy to handle in terms of dimensions and weight. Standards are often related to labour regulations at point of destination and must be specified by the buyer. Boxes are usually palletised for air or sea transport. Exporters have to maximise pallet space.

Cost reduction

Nesting, stacking or flat-packing the items inside the container reduces costs. Consider this in your products' design phase.

Packing must provide maximum protection. However, you should also avoid using excess materials or shipping 'air'. Waste removal is a cost for buyers. You can reduce the amount and diversity of packing materials by:

- partitioning inside the boxes by using folded cardboard
- matching inner and outer boxes by using standard sizes
- considering packing and logistical requirements when designing your products
- asking your buyer for alternatives

Material

Importers are increasingly banning wooden crating and packing. This is due to the unsustainability and high cost of the material and its disposal. Economical and sustainable packing materials are more popular. Using biodegradable packing materials can be a market opportunity. For some buyers, it can even be a requirement.

Wooden garden furniture

Wooden garden furniture can mould or crack. You need to properly dry the wood after production. Condensation inside the container during transport can cause mould. This is caused by humid air that becomes colder at night and warmer during the day. You need proper air ventilation inside the container to prevent this. Before shipment, you must inspect containers for air holes. You can also place products so as to reduce humidity among the cargo items. Make sure the importer's instructions are followed in this regard.

Payment terms

The payment term is usually agreed upon with the buyer in the order contract. Payment terms 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 acting as an intermediary, and what delivery terms apply. In general, the payment term will be 30 or 60 days after receipt of the goods or the date of the invoice.

Occasionally a deposit or advance payment can be agreed upon. This happens, for example, in Fair Trade business relations. Certain sourcing countries have regulations stipulating 100% prepayment before delivery. This can hamper business as buyers usually shy away from such costs or will negotiate a harder price deal.

A special form of financial security is offered by Letters of Credit. A Letter of Credit is a letter from the buyer's bank to the seller's bank guaranteeing that the buyer's payment to the seller will be received on time and for the correct amount. The so-called L/C is often used in first transactions, but it is an expensive system and therefore not preferred by European buyers.

The payment terms are the outcome of your negotiations about the risks involved in export trade, particularly the following:

- financial risk (who funds what part of the production and transport process?)
- transportation risk (if damage or loss occurs, who pays?)
- the transfer of ownership (when do the goods change hands?)

A balanced outcome is in the interest of both the seller and the buyer and is the result of a process of negotiation.

If the payment term is not covered in the contract, you can refer to European Directive 2011/7/EU. This Directive was established to protect SMEs against late payment. Although in principle this Directive does not apply to companies outside the European Union, you can use these terms as covered in the Directive as a guideline:

- If no payment term is agreed to in the contract (or General Terms & Conditions), then 30 calendar days after receipt of the invoice.
- If the date of receipt of the invoice is not determined, then 30 calendar days after receipt of the goods and/or services.
- If the invoice is received before the goods and/or services, then 30 calendar days after receipt of the goods and/or services.
- If a verification or acceptance procedure is agreed to with regard to conformity, then 30 calendar days after the date this procedure is completed.
- A verification or acceptance procedure may not take longer than 30 calendar days.
- Payment terms in Europe that are set in a contract may not be longer than 60 calendar days unless otherwise expressly agreed.

Tips:

Carefully study the payment terms offered by your (potential) buyer, especially the number of days for delayed payment.

Always include the payment term in your negotiations about the price, as an advance payment can justify a lower price. On the other hand, a long credit period can justify a higher price.

Study [Directive 2011/7/EU](#) regarding payment terms and late payment regulations in case payment terms are not covered in the contract.

Delivery terms

Delivery terms depend on the type of distribution partner and respective preferences as to physical distribution. Importers will prefer FOB (Free On Board) or FCA (Free Carrier) arrangements. FOB is restricted to goods transported by sea or inland waterway. It means that the seller pays for transportation of the goods to the port of shipment, plus loading costs. The buyer pays the cost of marine freight transport, insurance, unloading and

transportation from the arrival port to the final destination. FCA can be used for any transportation mode. It means that the seller fulfils his obligation to deliver when he has handed over the goods, cleared for export, into the charge of the carrier designated by the buyer at the specified place or point.

Retail multiples can ask for CIF (Cost Insurance Freight). That means they will ask you to include the shipping and insurance charges in your quotation. Small retailers may go a step further and ask you to arrange for the goods to be delivered to their doorstep. The delivery terms for DDP (Delivered Duty Paid) may then be negotiated. For importers who consolidate orders in your country, Ex Works terms are often best.

Details about the rights and obligations of the buyer and the seller under the respective terms can be found in the [Incoterms 2020](#).

Tip:

Study the rights and obligations of buyers and sellers for the different [Incoterms](#) and include these in your negotiations.

What are the requirements for niche markets?

Fair trade

The concept of fair trade supports fair pricing and improved social conditions for producers and their communities. Especially when the production of your garden furniture is labour intensive, fair trade certification can give you a competitive advantage.

Common fair trade certifications are issued by:

- [World Fair Trade Organisation](#) (WFTO)
- [Fairtrade International](#)
- [Fair For Life](#)

Tips:

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

Check the [ITC Standards map database](#) for more information on voluntary standards and their requirements, including fair production.

FSC certification

[FSC](#) (Forest Stewardship Council) certification is the most common label for sustainable wooden products, including garden furniture. The FSC label guarantees that a product's source material comes from responsibly managed forests. These products are especially popular in Western European markets.

Tip:

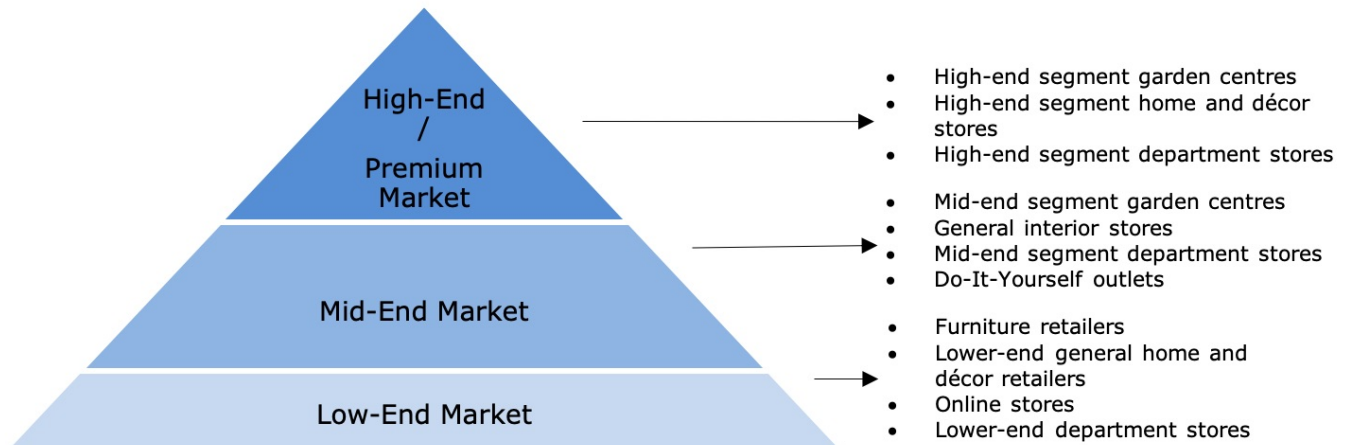
For more information, see the [five steps towards FSC certification](#).

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

How is the end-market segmented?

If we consider market segmentation from a perspective of price and perceived value, we can distinguish a low-, mid- and high-end segment in garden furniture, as follows. The trend section, however, provides an additional segmentation based on consumer profile and use.

Figure 1: Garden furniture segmentation in Europe



Low-end market

The lower end of the market aims to keep prices friendly and design accessible. The products have to suit an average consumer profile. The focus is on the functionality of the product, and items are often offered at a lower price.

Mid-end market

In the mid-market segment, functionality and style go hand in hand. This consumer wants value for money and a trendy or accepted style. This segment follows trends, mainly through design and colour.

High-end / premium market

In the higher segments of the market, supreme craftsmanship, a luxury feel and brand are important. Sustainability also plays a role in this segment. This gives consumers an opportunity to express themselves.

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

The channels through which garden furniture is put on the market follow the traditional patterns: import takes place via importers/wholesalers that supply to retailers. Larger retail chains often bypass the importers/wholesalers and import themselves. Online platforms have become increasingly prominent. In some cases, buying agents play a role. Below is an overview of the main actors in the market for garden furniture.

Importers/wholesalers

Importers/wholesalers play a leading role in the garden furniture market. They sell products to retailers in their own country or region, or re-export to the broader European continent. Some European markets are therefore supplied by wholesalers/importers from other European countries (internal European trade). These importers/wholesalers take care of the import procedures. They take ownership of the goods when they buy from an exporter (as opposed to agents), taking on the risk of the onward sale of the home decoration products. Developing a long-term relationship can lead to a high level of cooperation on appropriate designs for the

market, new trends, use of materials, type of finishing and quality requirements.

Importing Retailers

In the garden furniture market, it is quite normal for retailers to import directly from the overseas manufacturer. This applies to retail multiples and, to a lesser degree, to smaller chains and single retailers.

There is a tendency for consolidation in European retail, with large retail brands becoming more widespread in Europe and more 'lifestyle-centred' (offering home decor and textiles as well as fashion accessories and furniture).

Tips:

To find potential buyers for your garden furniture, search the list of exhibitors or visit the main trade fairs in Europe: [Ambiente](#) in Frankfurt, Germany (February), [Maison et Objet](#) in Paris (January and September), [Spoga + gafa](#) in Cologne (August), [IMM](#) in Cologne (January) and [Salone del Mobile](#) (designer) in Milan (April).

Search the list of members of furniture associations to find potential buyers: [EFIC](#), European Furniture Industries Confederation; [FENA](#), European Federation of Furniture Retailers; [UEA](#), European Federation of Furniture Manufacturers; and [UNECE](#), an interesting source for marketing info and general links about the wood industry.

To help you enter the market, consider working with an agent or representative with a good reputation. You can look for commercial agents on the website of [Internationally United Commercial Agents and Brokers \(IUCAB\)](#).

After the importing and wholesaling stage, the link to the consumer is generally made through the following retail channels:

- Garden centres
- Do-it-yourself outlets
- Furniture specialists
- General home decor retailers
- Online versions of these retailers

Garden centres

A garden centre is a retail operation that sells plants and related products for the domestic garden as its primary business. Increasingly, garden centres are offering a complete collection of interior products (originally strictly related to the garden), including garden furniture and implements. Today, however, consumers can find a complete offer of home accessories, tableware and seasonal items. Garden centres cater to a price-sensitive consumer group. Examples of garden centres are [Dobbies](#) (United Kingdom) and [Intratuin](#) (the Netherlands).

Do-it-yourself outlets

Do-it-yourself outlets, also known as hardware stores, mainly sell household hardware and home improvement products. Many of these outlets have speciality departments unique to their region or owner's interests. These departments include plants and garden furniture, for instance. Examples of DIY stores in Europe are Kingfisher's [B&Q](#) (United Kingdom), [Obi](#) (Germany), [Leroy Merlin](#) (France) and [Karwei](#) (the Netherlands).

Furniture retailers

A furniture retailer is a specialist that offers furniture related to the home, office and garden. An example of a

successful furniture retailer is [IKEA](#). These retailers focus on home furniture, but have speciality departments for garden furniture. Increasingly, though, specialists are branching out of home furniture as in our example.

General home and décor retailers

General home and décor retailers mainly focus on furniture for the home, and usually have a small assortment of office and garden furniture. Garden furniture sold by such home and décor retailers will fit into the overall style of the retailer brand and can occur in any segment mainly mid-end). Department stores and hypermarkets are part of this group of resellers. Examples include [Harrods](#) with luxury brands in the high-end segment (United Kingdom), [Very](#) (United Kingdom), [Galeria Karstadt](#) (Germany) and [Carrefour](#) (France and Spain), all in the mid-end segment.

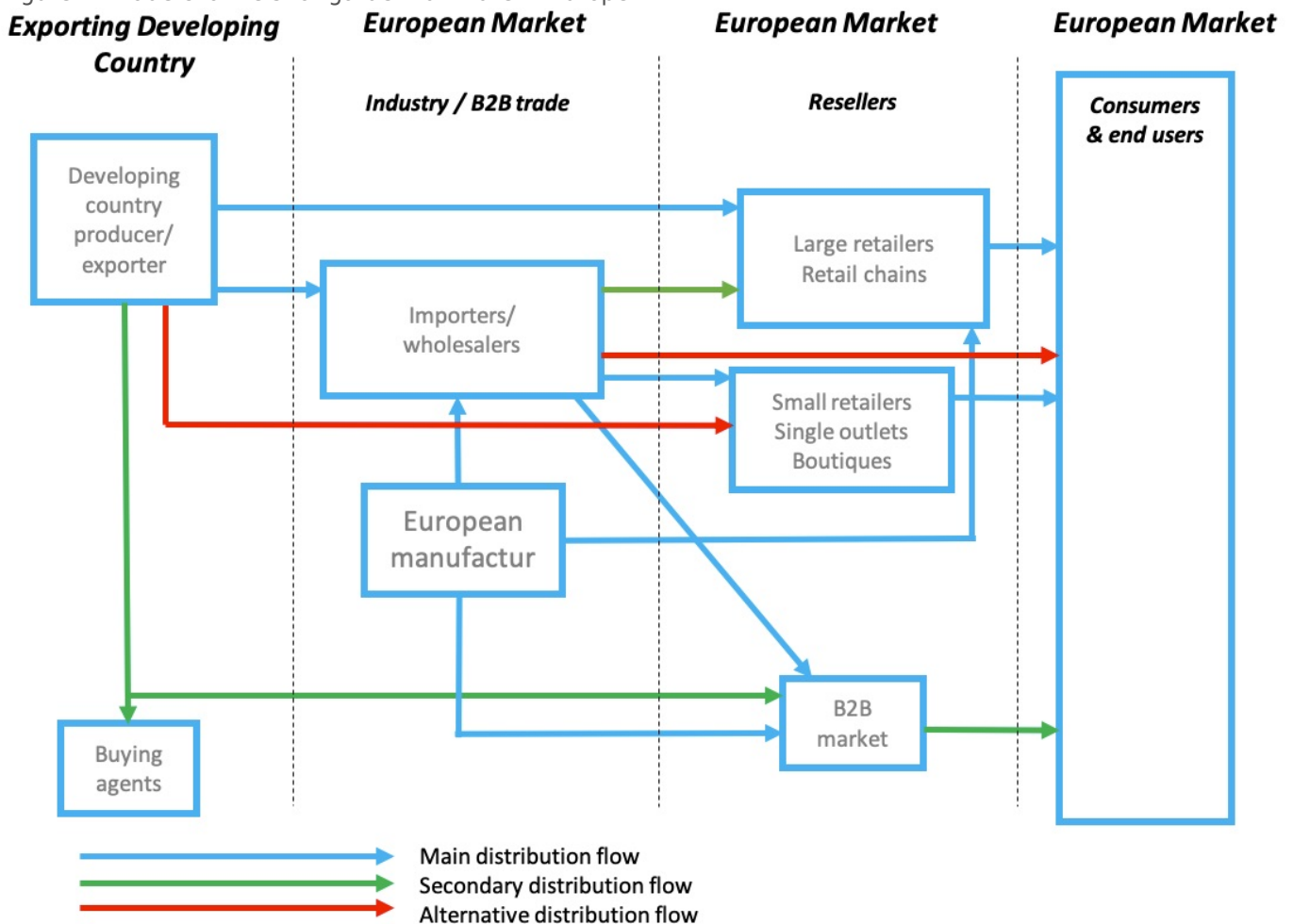
Online

Retailers often combine online and offline channels. Consumers research and purchase products online. For larger garden furniture, they search for information and compare offerings online. Purchases of these larger items often still occur in offline retail locations. That way consumers can experience the feel of the products, for example to check the materials and see how comfortable the furniture is. This gives them a better idea of the products' colour, size and shape.

To supply for e-commerce, you must be able to work with:

- individual packing
- individual labelling
- limited minimum orders

Figure 2: Trade channels for garden furniture in Europe



What is the most interesting channel for you?

Wholesale importers are the main channel between exporters in developing countries and European retailers. They are interesting if you want to develop a long-term relationship and they usually have good knowledge of the European market. They can provide you with valuable information and guidance on European market preferences.

However, as the market is becoming more and more competitive, large retailers are increasingly importing for themselves instead of through European wholesale importers. The obvious advantages include cutting out the margins of the wholesaler and reducing delivery time to the market. Because of this trend, the self-importing retailers might want to drive a much harder bargain with you.

Smaller, independent European retailers continue to purchase mainly from domestic wholesalers/importers. As in other European market sectors (such as food or clothing), independent retailers in home decor are struggling to compete with retail chains. They need to differentiate on value-added service, as well as specialised offers and authenticity. These buyers typically prefer orders for small quantities of each item, small total order volumes and delivery to their doorstep, with a limited likelihood of repeat orders. You need to calculate whether such small orders are cost-effective for you.

The trend of direct sourcing is expected to continue in the future and may create more opportunities for you. The pool of buyers may increase if more retailers become importers, possibly resulting in an improvement of your bargaining position. Importing retailers order for their own shops and can therefore place orders much more quickly than importers/wholesalers, who first need to show samples to their retailers before exporters receive their orders.

Tips:

Consider targeting retailers directly to improve your bargaining position and increase your chances of closing deals faster.

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

Offer suitable services such as fast delivery and after-sales support to and build a relationship based on mutual benefits.

When you participate in international trade fairs, especially within Europe, make sure that you have a policy for small, independent retailers coming to your booth. If you choose to sell to them, you must have appropriate terms of trading (such as low minimum order quantities, delivery to the doorstep of the retailer and pre-stocking).

Target e-tailers if you can meet the additional requirements such as in-market stock keeping, individual packing, individual labelling and limited minimum orders.

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

China dominates European garden furniture imports, with almost 30% of the supply in 2018. Other leading suppliers are Italy, Germany, Poland, Indonesia and the Netherlands.

Which countries are you competing with?

China dominates the market

China is the main supplier of garden furniture to the European market. In 2018, the country supplied these goods to Europe at a value of more than €146 million. This is almost 30% of total European imports. China's low-cost workforce, availability of raw materials, efficient shipping to Europe compared to other Asian countries make it the most competitive supplier.

Although China is dominating the market, imports showed a declining trend between 2016 and 2018. This is due to the supply from other upcoming markets such as Italy and Poland, which are becoming stronger players in the market for garden furniture. In addition to this, products that are 'Made in Europe' are becoming increasingly popular. The disruptions following the trade war with the United States may further negatively impact the trade performance of China and benefit companies from other supplying countries.

Product development and creativity are not China's core strengths. To compete with Chinese suppliers, you should differentiate and stay away from mass-produced garden furniture. Focus more on products with high emotional value, sustainability and the story behind the product.

Italy responds to increasing demand for quality and design

Second in line when it comes to suppliers of garden furniture to Europe is Italy. This is interesting, as Italy is a relatively expensive production country. However, it is in line with the trends in garden furniture. Consumers increasingly see their garden as an extension of their house and are looking for the same quality, design and durability as the furniture in their homes. Italy is known for its high value and quality products.

Italy is responsible for 10% of the total European supply of garden furniture, reaching a value of €51 million in 2018. Growth increased every year from 2014 to 2017, while 2018 showed a slight decrease. In the same years, the average growth was almost 8%. To compete with Italian suppliers' quality production and proximity to the market, you need to focus on design, material use and sustainability while being competitive in terms of production cost.

Fluctuating German supply

The German supply of garden furniture to Europe fluctuated between 2014 and 2016. The country's supply peaked in 2016 with a value of almost €53 million. After that, the value decreased every year, reaching a value of €42 million in 2018. Germany is responsible for 8% of total imports of garden furniture to Europe, making it the third largest supplier. The average growth between 2014 and 2018 was positive at a moderate 2%.

Like Italy, Germany also benefits from its proximity to the market and is able to offer short delivery times. However, the country's high-cost workforce makes production relatively expensive. Your material use, unique design and story behind the product can make the difference.

Poland, Indonesia and the Netherlands

Poland is one of the smaller players when it comes to the supply of garden furniture to Europe. The country accounts for almost 7% of total European imports. Between 2014 and 2018, Polish exports showed a stable increase of almost 14%. The country's strength is its geographical proximity to the European market, giving suppliers the opportunity to offer short delivery times. Polish suppliers also have a good understanding of the European consumer and have well-established efficient production lines. To compete with its relatively cheap production, you should focus on design, material use and sustainability. Moreover, ensure that you offer a high level of service to build strong relationships.

Indonesia is an interesting competitor from Asia, with a 6% share of total imports of garden furniture to Europe. However, growth fluctuated between 2014 and 2018. Indonesian garden furniture is well-known for its wickerware, rattan and woodworking craftsmanship.

Although the Netherlands is a small player, it is the fastest-growing supplier of garden furniture to Europe. The country is responsible for 4% of total European imports and showed stable growth until 2017. The country's geographical location strengthens its position within the European Union. The Netherlands is well-known for its re-exports, being an important hub for distribution operations in Europe.

What companies are you competing with?

Companies from China

China is by far the largest supplier of garden furniture. The companies offer (basic) garden furniture at relatively low prices and in high volumes.

Some examples of Chinese exporters:

- [Tan Fly](#)
- [Mei Gu Furniture](#)
- [Sunshine Outdoor Furniture](#)

Companies from Italy

Second in line is Italy. These companies are known for luxury and high-quality products. Some examples of Italian manufacturers of garden furniture:

- [Roberti Outdoor Pleasure](#)
- [Fast SPA](#)
- [Fiam](#)

Companies from Indonesia

Some examples of manufacturers of wood and rattan garden furniture from Indonesia:

- [Jepara Crafter Furniture](#)
- [Wisanka](#)
- [Teak Garden Indonesia](#)
- [CV Sonindo Gemilang](#)

Companies from Poland and the Netherlands

Some examples of manufacturers of modern-style wood and synthetic rattan garden furniture from Poland and the Netherlands are:

- [Oltre Outdoor Indoor Design](#) (Poland)
- [Dutchwood](#) (the Netherlands)

Which products are you competing with?

Although there is a general trend in favour of natural and sustainable products, garden furniture made of plastic or synthetic rattan is still widely popular. The main reason is that it is durable and does not require extensive maintenance. These products, which are often sourced from China, will continue to be important competing products for producers of natural garden furniture items. In the high-end segment, you will be competing against designer-brand quality furniture from Italy and Germany.

Tips:

Compare your products and company to the strong competition from China, as well as from Italy and Germany. You can use the [ITC Trademap](#) to find exporters per country and compare based on market segment, price, quality and target countries.

Keep track of global trends in urbanisation and social design to anticipate future structural changes in your sector.

To differentiate from your main competitors, focus on design, quality and branding.

4. What are the prices for garden furniture?

Garden furniture is a very broad product group. Therefore, prices cover a wide range. As an example, compare the low- to high-end segment prices for a wooden dining set for six persons. Table 1 gives an overview of the varying prices for this product.

Table 1: Indicative consumer prices wooden outdoor dining set

Low-end	Mid-end	High-end
€150-400	€400-1,100	€1,100 or more

Consumer prices depend on the value perception of your product in a particular segment. Your marketing mix influences this:

- product benefits (such as design, functionality and durability)
- promotion (brand or not, communication of product benefits)
- points of sale (reseller positioning)
- price

Consumers' price expectations at a garden centre will be different from those at a premium department store.

Below you will find an indication of a price breakdown for garden furniture in the supply chain.

- Shipping, import, handling costs: +25%
- Wholesaler: +100%
- Retailer: +100-150%

A few examples of garden furniture prices across Europe are the following:

- Wooden outdoor dining set, [B&Q](#) (the United Kingdom), set for €286
- Table with six chairs, [Leroy Merlin](#) (France), set for €1,093
- Lounge set, [Karwei](#) (the Netherlands), €699

Tips:

Offer what is expected in your chosen target segment (e.g. in terms of design). Your price needs to match that of similar products. To determine your price, study consumer prices in your target segment and adjust your cost accordingly.

Make sure your Terms of Payment and Delivery reflect both retailers and wholesale importers. For instance, a retailer's value chain might be shorter. You may need different price lists for both types of importers. Retail price is normally 2.5 to 3 times the price of wholesale.

Be prepared to quote your price Ex Works for buyers that want to combine different orders in your country. In this case, they pick up the different products at various factories or warehouses and consolidate it in a so-called 'consolidated shipment'.

Understand your segment. Offer a correct marketing mix to meet consumer expectations. Adapt your


business model to your positioning in the market.

The value perception of your product in the chosen segment determines its price. The quality and price of your garden furniture must match what is expected in your chosen target segment. To determine your price, study consumer prices in your target segment and adjust your cost accordingly.


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

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