



CBI
Ministry of Foreign Affairs

CBI Product Factsheet:

Coat Stands and Racks in Europe

Introduction

Although the European market for coat stands and racks is struggling, coat stands and racks from developing countries are performing strongly. Especially in Western European countries, there is a flourishing market for exporters from developing countries. Previously regarded as anonymous functional basics, coat stands and racks have been discovered by the design community and are now available in innovative and decorative shapes and forms, with applications beyond the mere storage of coats. Consumers are now also buying coat stands as a way to express their taste, hence their popularity. Creative and multi-functional design are the most important ways of differentiating coat stands and racks.

Product description

Coat stands and racks are free-standing, wall-mounted or suspended devices for hanging coats, and they are usually found in the hallway. They can be made of wood, metal or other materials, either natural or synthetic. From 'invisible' functional aids, coat stands and racks have become objects of design.

For the classification of coat stands and racks, please refer to Annex I.

Picture 1: Coat stand in the home



Source: Milk Decoration

Quality

Functionality

Coat racks are primarily functional: they provide order to coats and personal items when entering the home. They should therefore have a sufficient number of hooks to accommodate the coats of the family and visitors, and they should be compact enough not to dominate the space in the hallway. The hooks should not damage the clothing. Other functional demands relate to the height of the stand or hooks, which is usually high enough to accommodate for the longest coat. For this reason, most coat stands are no taller than approximately 180 cm.

Material

Metal, wood and synthetic materials are used for coat stands and racks, often in combinations. The choice of material depends on the properties of the materials in terms of strength and appearance.

Design

Design efforts in this product group are taking two directions: 1) towards superior functionality and 2) towards greater decorative value (see 'Trends'). The coat stand has undergone a particularly dramatic increase in aesthetic value, even achieving premium levels, due to the emotional value that stylish objects can add to the home. It has gone from being a mundane basic to being a recognised object of beauty for the home.

Picture 2: Decorative coat stand



Source: Olli Mustikainen

Labelling

The labelling on the export packing of coat stands and racks facilitates the logistical process. Product labelling is a function of marketing communication.

- Information on the outer packing of coat stands and racks should correspond to the packing list sent to the importer. The labels for coat stands and racks on the outer carton or packing should include the following information:
 - Producer
 - Consignee
 - Material used
 - Quantity
 - Size
 - Volume
 - Caution signs
- Within Europe, EAN and Barcodes are widely used on product labels.
- Use the English language for labelling, unless your buyer has indicated otherwise.
- Please note that buyers will specify the information that they need to have on the outer cartons, product labels and the actual items (e.g. logos, 'made in...' statements). This information forms part of the order specifications.
- Information on the product or product label usually supports the reseller in communicating to the end consumer. If the importer or reseller has a brand identity (e.g. logo, strap line), the importer is likely to prefer that information on the product label to any exporter's brand identity.

Packing and Packaging

Export packing facilitates the logistical process; consumer packaging is a function of marketing communication (to the end consumer).

- European [packaging and packaging-waste](#) legislation includes restrictions on the use of certain heavy metals. Europe also has requirements for [wood packaging materials used for transport](#) (WPM), including packing cases, boxes, crates, drums, pallets, box pallets and dunnage.
- Proper packing of coat stands and racks can **minimise the risk of damage through shocks**. The fragility of the item determines the type and extent of the packing needed to prepare the products for shipment. Packing should prevent the individual products inside a carton from damaging each other or the cartons themselves when they are stacked inside the container.
- Packing should be of **easy-to-handle dimensions and weight**. Standards in this regard are often related to labour regulations at the point of destination and must be specified by the buyer. Cartons or crates are usually palletised for air or sea transport, and exporters are requested to maximise pallet space.
- In the use of packing materials, a balance must be found between using maximum protection and **avoiding excess materials** (waste disposal is a cost to the buyer) or shipping 'air'. Exporters can reduce the amount and diversity of packing materials by:
 - improving the matching of inner boxes and outer cartons and by standardising their respective sizes;
 - considering packing and logistical requirements in the design stage of the products (e.g. flat-pack constructions or detachable components for coat stands are almost a given);

- asking their buyers for alternatives.
- Consumer packaging for coat stands and racks facilitates transport home from the retailer. It usually takes the form of a carton, which can be the original export carton or a box provided by the retailer.

Tips:

- Make sure that your packing meets the requirements of European packaging legislation.
- To facilitate the logistical process, be aware of your buyer's position in the supply chain and the related needs (e.g. the needs of importer-exporters may differ from those of online retailers). Make sure that you receive and understand the entire set of specifications as related to the product, its packing, packaging and labelling, all of which is part and parcel of the purchase order. Offer the buyer any alternatives that may be more effective.
- To facilitate marketing, be aware of the buyer's needs in terms of style and level of design. Assist your buyer in marketing communication by offering any background stories (branded or not). Offer a full set of dimensions, including the access dimensions of your coat stands (i.e. the diagonal measurement of the space needed to get the item into the consumer's home). Offer choice (see Trends).
- European [packaging and packaging-waste](#) legislation includes restrictions on the use of certain heavy metals, among other requirements. Europe also has requirements for [wood packaging materials used for transport](#) (WPM), including packing cases, boxes, crates, drums, pallets, box pallets and dunnage. Make sure that your packing meets these requirements.
- Consumer packaging can help, especially for loose coat knobs, which can serve as gifts. Nice gift boxes are therefore likely to be appreciated. Because coat stands are usually not seen and bought as gifts for others,

Picture 3: Loose coat knobs in consumer packaging



Source: Formabilio

What is the demand for coat stands and racks in Europe?

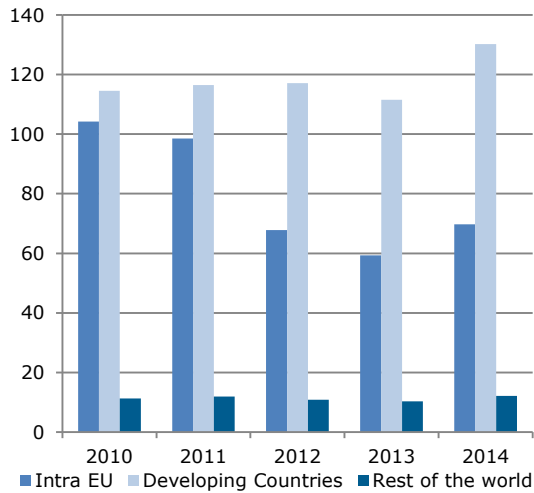
Developing countries are Europe's primary source of coat stands and racks, as imports continue to move away from intra-European trade. As Europe's leading importers of coat stands and racks, the United Kingdom, Germany and France are interesting target markets. Another country to consider is the Netherlands, which has a sizable and growing market for coat stands and racks.

Trade statistics

In 2014, European imports in the Home Decoration and Home Textiles sector amounted to € 120 billion. Since 2010, furniture has consistently accounted for about 21% of these imports. Between 2010 and 2014, European furniture imports showed an average annual growth rate of 0.9%. Although this rate is promising, it lags slightly behind the growth rate of 2.5% for the sector as a whole.

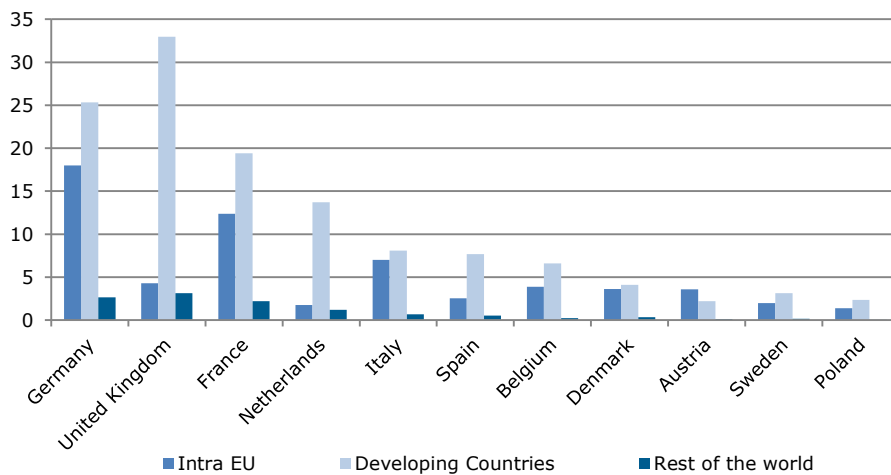
These trade statistics provide an indication of the European trade in wooden articles of furniture (e.g. coat stands and racks).

Figure 1: European imports of wooden articles of furniture (e.g. coat stands and racks), by main origin, in € millions



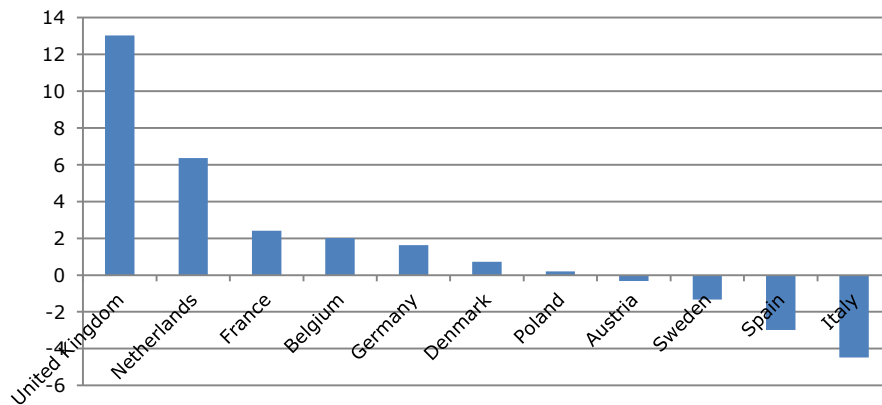
Source: Trademap

Figure 2: Leading European importers of wooden articles of furniture (e.g. coat stands and racks), by main origin (2014), in € millions



Source: Trademap

Figure 3: Absolute Developing Country import growth (2010-2014), in € millions (countries in order of import volume)



Source: Trademap

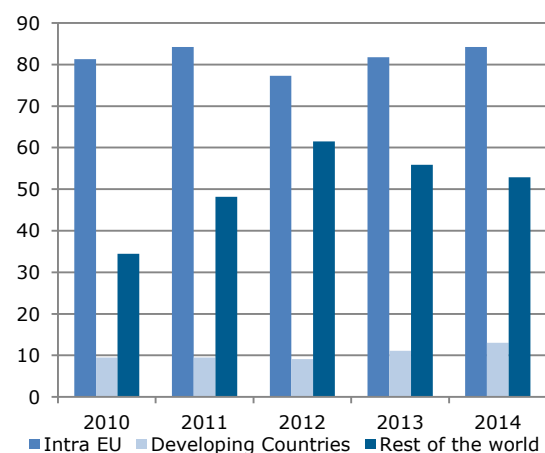
- European imports of coat stands and racks declined from € 230 million in 2010 to € 12 million in 2014, with an annual growth rate of -2.0%. This was due to a strong decline in intra-European trade, which exhibited an annual growth rate of -9.6%, while imports from developing countries underwent an annual increase of 3.3%.

- Developing countries account for a large share (61%) of all European imports of coat stands and racks, amounting to € 130 million. This share is predicted to increase in the coming years, due to the shift away from intra-European trade in favour of imports from developing countries.
- With imports amounting to € 46 million, Germany is the leading importer of coat stands and racks in Europe, followed by the United Kingdom (€ 40 million) and France (€ 34 million). With regard to imports from developing countries, however, the United Kingdom is the main European importer (€ 33 million). This constitutes 82% of its total imports of coat stands and racks.
- The strong performance of suppliers of coat stands and racks from developing countries in the United Kingdom is further evidenced by its growth of € 13 million between 2010 and 2014. In the Netherlands, imports of coat stands and racks from developing countries also exhibited a particularly strong growth of € 6.0 million.
- In 2014, European imports of coat stands and racks from developing countries were dominated by China (€ 102 million). Other leading suppliers from developing countries include Thailand (€ 11 million), India (€ 5.0 million) and Indonesia (€ 4.0 million).

Tips:

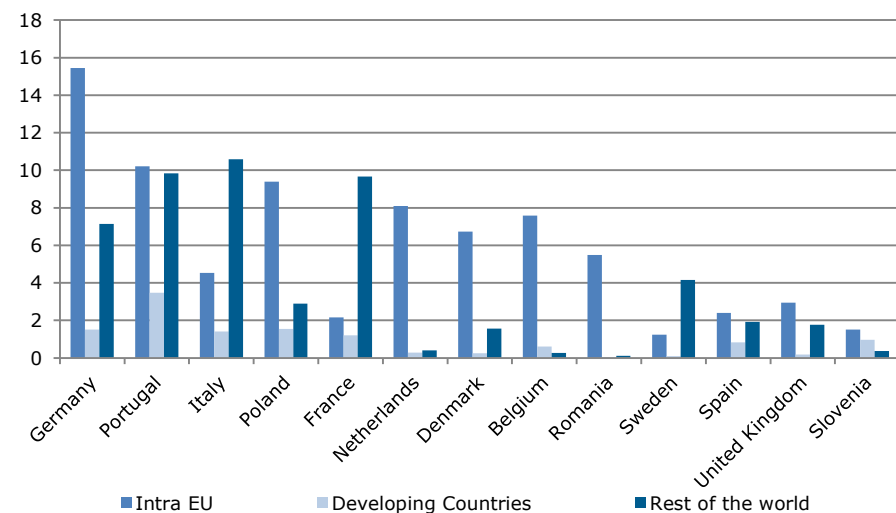
- Germany, the United Kingdom and France are by far the largest importers of coat stands and racks in Europe. With its strong presence of suppliers from developing countries, the United Kingdom is an especially interesting focus market.
- With its growing market for coat stands and racks from developing countries, the Netherlands is also promising.
- Benchmark your products against the strong competition from China, as well as from Thailand, India and Indonesia. Factors to consider include the market segments served; perceived price and quality; and countries served. One source that can be used for finding exporters by country is [ITC Trademap](#).

Figure 4: European exports of wooden articles of furniture (e.g. coat stands and racks), by main destination, in € millions



Source: Trademap

Figure 5: Leading European exporters of wooden articles of furniture (e.g. coat stands and racks), by main destination (2014), in € millions



- Europe exports hardly any coat racks or stands to developing countries. Most of its exports are within Europe (see Intra-EU in Figure 5) and to the rest of the world.
- The leading European exporters of coat stands and racks are Germany and Portugal (€ 24 million each), followed by Poland, France and the Netherlands (€ 13-17 million each).

Figure 6: European production of wooden articles of furniture (e.g. coat stands and racks), 2009-2013, in € millions

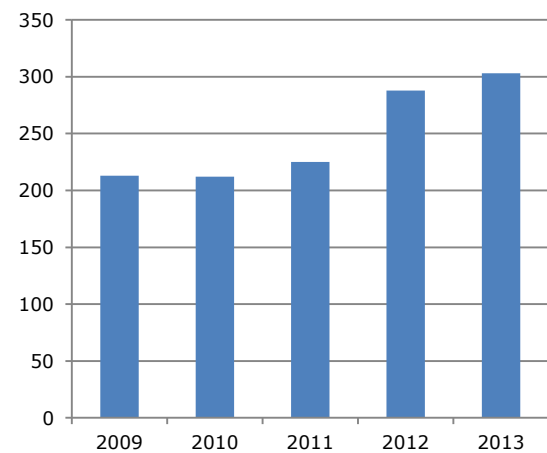
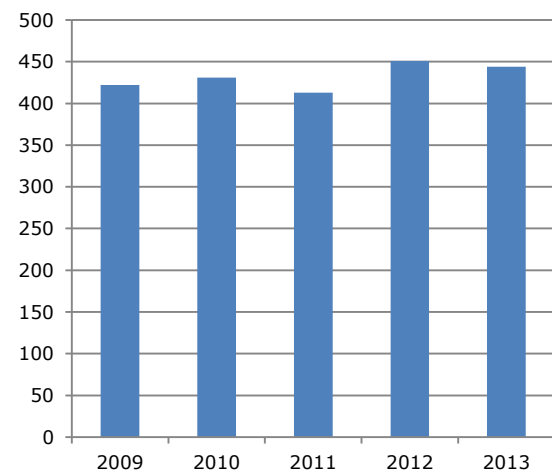


Figure 7: Apparent European consumption of wooden articles of furniture (e.g. coat stands and racks), 2009-2013, in € millions

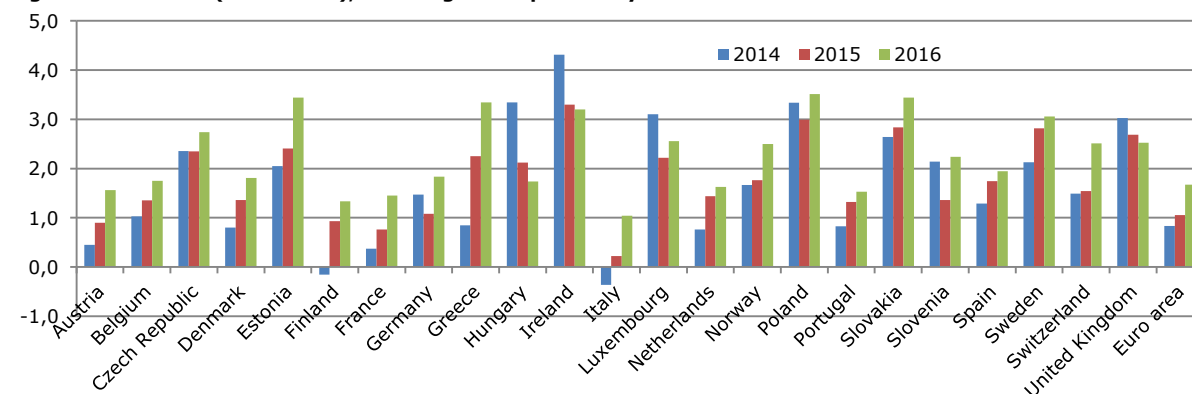


Source: Prodcorn

- European production of coat stands and racks increased significantly from € 213 million in 2009 to € 303 million in 2013, with an annual growth rate of 9.3%.
- After a dip in 2011, European consumption of coat stands and racks increased to around € 450 million. This means that the European demand for coat stands and racks exceeds European production.
- In 2013, European production of coat stands and racks was dominated by Italy (€ 106 million), followed at quite some distance by Germany (€ 39 million) and Portugal (€ 31 million).
- With sales amounting to € 100 million, Italy is the leading European consumer of coat stands and racks, followed by Germany (€ 95 million).

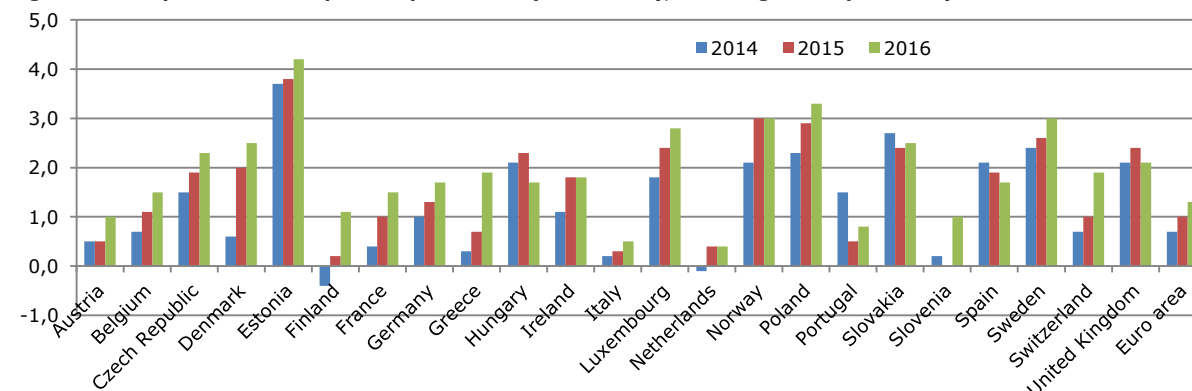
Macro-economic indicators

Figure 8: Real GDP (2014-2016), % change from previous year



Source: Eurostat (2015)

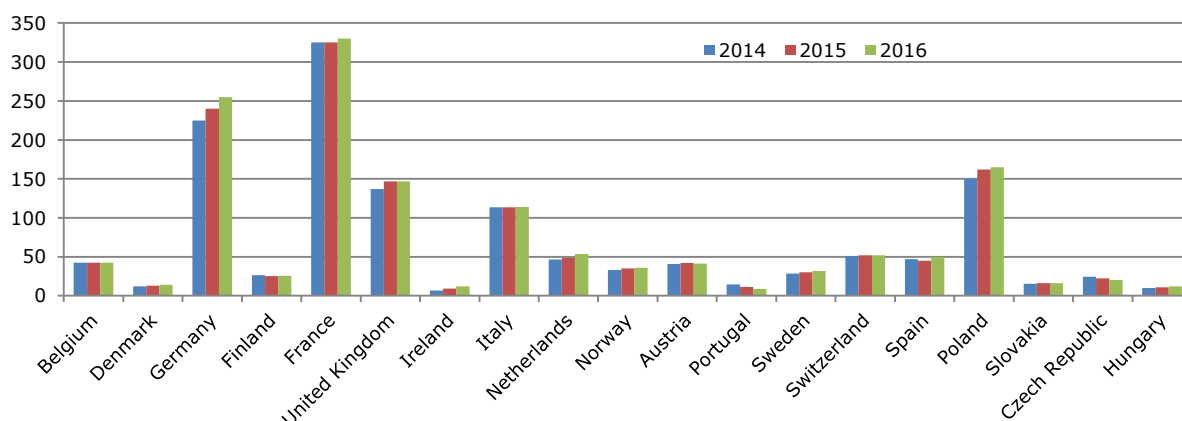
Figure 9: Real private consumption expenditures (2014-2016), % change from previous year



Source: Eurostat (2015)

- Predictions of GDP and private consumption expenditures are important indicators for the European home decoration market. The sector is closely linked to economic conditions. When money is tight, consumers postpone replacing non-essential items in the home until they once again have sufficient disposable income.
- Between 2014 and 2016, European GDP and private consumption expenditures are expected to increase. This implies that the consumption of luxury and decorative products is likely to rise. Increases in GDP create room for this type of spending, especially in emerging markets. Due to saturation, growth in consumption will be moderate for mature markets.

Figure 10: New housing (2014-2016), in 1,000 units



Source: Eurostat (2015)

- Developments on the housing market could affect the European home decoration market. Between 2014 and 2016, an increase in new-built housing is expected in Europe, especially in Germany, France, Poland, the United Kingdom and Italy. As these houses will need to be furnished and decorated, this increase could generate growth in consumption for the home decoration sector, especially in the aforementioned countries.

For additional information on the sector in general, please refer to [CBI Trade Statistics for Home Decoration & Home Textiles](#).

Which trends offer opportunities on the European market for coat stands and racks?

Normal is Beautiful (Beauty is Normal) – The Coat Stand as a Stylish Home Decoration

One characteristic of the Expectation Economy is that consumers feel entitled to 24/7 buying, flawless service and the highest levels of beauty. Even relatively mundane items like coat racks and stands are subject to high design standards, to escape commoditisation, to differentiate from competition and to satisfy a mature consumer. Design efforts have taken two directions: 1) towards supreme functionality (see the next section) and 2) towards greater visual impact in the home. Strong current trends include a heavy tendency towards minimalism – resulting in a pared-down appearance – and an increase in figurative decoration (especially trees). Designers are transforming the coat stand (and similar items) into an object of beauty and a source of pride. This has created a premium segment for the coat stand (see Market Segments).

Picture 4: Coat stand as figurative decoration



Source: Lensvelt

Tips:

- Design is clearly a source of added value in coat stands and racks. Nevertheless, several of our usual values appear to have remained relatively unexplored.
- Sustainability (as manifested in recycling, the use of eco-friendly materials, fair trade or social sustainability) has found its way into most product categories in the Home segment, and it appears to be on the brink of making a mark in this product group as well. It might be worth a try.
- For training opportunities related to sustainable design and fair trade, please visit the CBI website (www.cbi.eu).
- Although coat racks and stands allow plenty of room for differentiation through craftsmanship, 'origin' does not seem to figure prominently in the supply. Ethnic touches (e.g. materials, techniques, styles) could be added to categories that are either minimalist or figurative.
- The trend towards allowing consumers to make (i.e. construct, assemble) their own products ('the consumer as prosumer') and/or make them suit their own tastes and circumstances is visible, but there is ample room for further exploitation. Make it your mission to add this to the category. Offering choice is another related 'must' in this regard.

Picture 5: Bamboo coat stand



Source: Lolia Design

Picture 6: Wicker coat stand



Source: Gervasoni

Solutions for Small Spaces: Multifunctional and Hybrid Aids

We have observed considerable energy being invested in making the coat stand multifunctional. As rapid urbanisation continues to make living space more precious, consumers are settling for homes with fewer square metres. Clever solutions that can save space are appreciated. A coat stand for the hallway can contain storage for shoes, mittens and headgear, as well as containers for keys, umbrellas and other items. Convenience features include lamps on top and attached mirrors. A wide array of clever additional functionalities is transforming the coat stand into a true storage system.

The transition to being a more central aid has brought the coat stand together with other clothing-related items (e.g. the dress boy or even the wardrobe), resulting in hybrid forms that borrow from each other's design vocabulary. Coat stands have become air fresheners and clothes dryers; others serve simultaneously as room dividers, plant holders and coat stands; chairs serve as coat racks, while the coat stand serves as a ladder or stepping stool (in many cases, the latter two designs are more conceptually appealing than they are practical).

In the wake of these developments, the domain of the coat rack has also shifted from the hallway to bedrooms, bathrooms and other spaces. The interesting psychology underlying this shift is that, when things are stored in interesting ways, it does not seem to matter if they are left out in the open.

Picture 7: Coat stand as a storage system



Source: Annabelle Nichols

Picture 8: Multifunctional coat stand



Source: Lammhults

De-cluttering the Home

Another trend is related to the previous one, although it is more driven by psychological factors: the need that consumers have to de-clutter their homes, thereby creating new mental space and allowing them to become stress-free, relaxed and re-focused on their inner selves. If the home offers the modern consumer a sanctuary and a place to recover from the constant barrage of external stimuli, items that reduce such stimuli arising from clothes and objects scattered about in the home are likely to be of important value. The coat stand can make an important contribution to sanity, particularly if it can also be used as a storage system (see above).

Tip:

- One very exciting challenge for which the market appears to be particularly open to new ideas involves helping consumers to save space and/or de-clutter their homes (and minds). The range from multi-functional coat-storage systems to hybrids allows considerable room for other ideas.

For more information on general trends in the sector, please refer to [CBI Trends for Home Decoration & Home Textiles](#).

With which requirements should coat stands and racks comply in order to be allowed on the European market?

For the requirements applying to coat stands and racks, please refer to [CBI Buyer Requirements for Home Decoration & Home Textiles](#).

What competition do I face on the European market for coat stands and racks?

The competition for coat stands and racks does not differ significantly from the Home Decoration & Home Textiles sector in general. You may therefore consult [CBI Competition for Home Decoration & Home Textiles](#) and [CBI Top 10 Tips for Doing Business with European Buyers](#) for a general overview.

What do the trade channels and interesting market segments for coat stands and racks look like in Europe?

Market channels

The coat stand and rack is literally everywhere in the market – from the DIY outlet to the Design store (both offline and online) and from the gift sector to the interior decorating market. Its ubiquity is due to the fact that it is simultaneously an everyday, basic necessity and an object that can draw compliments from friends.

Otherwise, the market channels for coat stands and racks do not differ significantly from those in the Home Decoration & Home Textiles sector in general. You may therefore consult [CBI Market Channels and Segments for Home Decoration & Home Textiles](#) for a general overview.

E-commerce in home decoration is increasing, often as a multi-channel approach that combines online and offline retail. Coat stands and racks are widely available online, and they are often flat-packed. When product specifications are clear, when visual information is attractive and when service levels are high enough (e.g. with regard to return policies and refunds), European consumers are not afraid to purchase their coat stands and racks online. To date, however, they usually do so from national e-tail brands rather than from across national borders. Exporters wishing to target their efforts towards e-tailers will have to go through wholesalers, who maintain stock in Europe, who are able to replenish e-tail stocks quickly, and who can quickly replace any flawed items that the e-tailer might return.

Tips:

- For additional information, take time to study the [CBI Trend Special on E-Commerce in Home Decoration & Home Textiles](#).
- If you can offer the additional requirements relating to e-commerce (e.g. individual packing and labelling, or limited minimum order requirements), and if your process is capable of accommodating such activities, targeting e-tailers could be a viable angle for your export marketing strategy.

Market segments

As we have seen, style has taken precedence over use or type of consumer as the most important segmentation criterion for coat stands and racks. We can divide this market roughly into the following segments: 'functional and gimmick (fun)' as values in the lower end of the market; 'decoration' in the middle market; and 'innovative craftsmanship and concept' in the premium segments. These features are subsequently reflected in the price tags, which can go as high as € 1,500 for a designer piece. At this level, the coat rack has become an ultimate conversation piece.


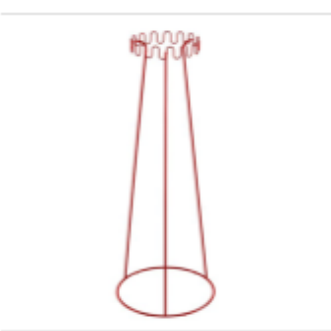




Picture 9: Coat stand as a conversation piece



Source: Tom Dixon

In Table 1, we illustrate these positions in the lower, middle and higher segments of the market for coat stands and racks.

Table 1: Market segments for coat stands and racks

	Low: Functional basis or 'fun'	Middle: Decorative	High: Innovative
Coat stands	 <p>Source: IKEA</p>	 <p>Source: Desalto</p>	 <p>Source: Discipline</p>
Coat racks	 <p>Source: John Lewis</p>	 <p>Source: Moormann</p>	 <p>Source: PER USE</p>

Tip:

- Whilst coat stands and racks are clearly segmented according to value (e.g. gimmick, decorative, designer; see Market Segments), sub-segmentation according to consumer types remains restricted to children and the project market (both of which are very important, and both of which could offer marketing opportunities in your own region). Although market segments are attractive and relatively active, there appears to be considerable room for additional new segments. Contribute to the category by conceiving of new target groups and uses.

What are the end-market prices for coat stands and racks?

Prices for coat stands and racks can be classified according to the classic 'low, middle and high' value segmentation. The lower end offers relatively unassuming coat stands and racks, as well as racks with a gimmicky twist (a touch of humour) for under € 100. These items are marketed to a customer base for whom affordability remains the most important selling point. In the mid-market segment, coat stands and racks are decorative, corresponding to mid-market styles and trends. In this segment, coat racks attend to be offered at prices slightly lower than those of stands. At the higher end, the price of coat stands can reach € 1,500. This would be extraordinarily high for coat racks, whose prices tend to hover around € 500.

Tips:

- Pitch your prices well, in line with your position in the market. As one of the four P's, you should be careful to determine the price bandwidth that would be appropriate in your segment. As a general guideline, coat stands tend to be less price-sensitive than racks are, as they assume a somewhat more prominent presence in the home than is the case with 2D racks.
- Avoid simply adding a fixed percentage of margin on top of your cost price, as it could be either too high or too low for your target market. Instead, study what your coat stand or rack could take. Prices in the market for coat stands and racks are not determined by the cost of the materials used, but by the appearance of the item.
- If your coat stands and racks form part of a wider collection of storage units or furniture, make sure that the price points between the items in your collection are logical and acceptable.

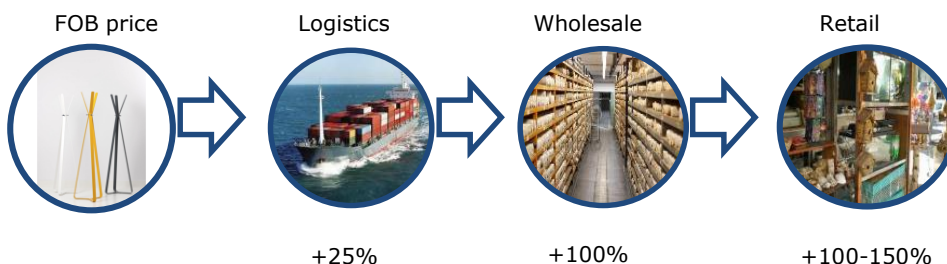
Table 2: Indicative market prices for coat stands and racks

	Low End	Middle Segment	High End
Coat stands	Up to €100	€100-€400	Over €400
Coat racks	Up to €100	€100-300	Over €300

These are indicative consumer prices. As with all prices, they will differ according to the specific marketing mix in a given segment.

The following figures provide an indication of a price breakdown for coat stands and racks. As a rough estimate, your FOB price could increase by five to seven times before reaching the price that the consumer will ultimately pay, depending on the length of the chain.

Figure 11: Indicative price breakdown for coat stands and racks (mark-ups in %)



Useful sources

The following trade associations and fairs are useful sources for finding trading partners in Europe.

- [EFIC](#): European Furniture Industries Confederation
- [FENA](#): European Federation for Furniture Retailers
- [UEA](#): European Furniture Manufacturers Federation

Trade fairs

- [IMM](#), Cologne, January
- [Maison et Objet](#), Paris, January (esp.) and September
- [Stockholm Furniture & Light Fair](#), Stockholm, February
- [Salone del Mobile](#), Milan, April (designer)
- [Tendence](#), Frankfurt, August



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This survey was compiled for CBI by Globally Cool: Creative solutions for sustainable business
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Disclaimer CBI market information tools: <http://www.cbi.eu/disclaimer>

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Annex I: Classification of coat stands and racks

Harmonised System (HS)

Within the EU/EFTA, the following HS code is used for trade in coat stands and racks:

- 442090 – Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, of wood; wooden articles of furniture (excl. statuettes and other ornaments; furniture, lighting fixtures and parts thereof)

Prodcom

The following Prodcom code is used to indicate European production of coat stands and racks:

- 16291300 – Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery and similar articles; statuettes and other ornaments; coat or hat racks; office letter trays, ash trays, pen trays, ink stands