



CBI
Ministry of Foreign Affairs

Trend Special Sustainability in the Home Sector

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Centre for the Promotion of Imports from developing countries



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The background of the slide features a stylized illustration. A central figure, a person in a dark suit with a white face, stands with arms outstretched, addressing a group of silhouetted people. The background is composed of green and yellow brushstrokes. Various icons are scattered around: a DNA helix, a heart, a syringe, a globe, a panda, and paw prints.

What is sustainability?



What is sustainability?

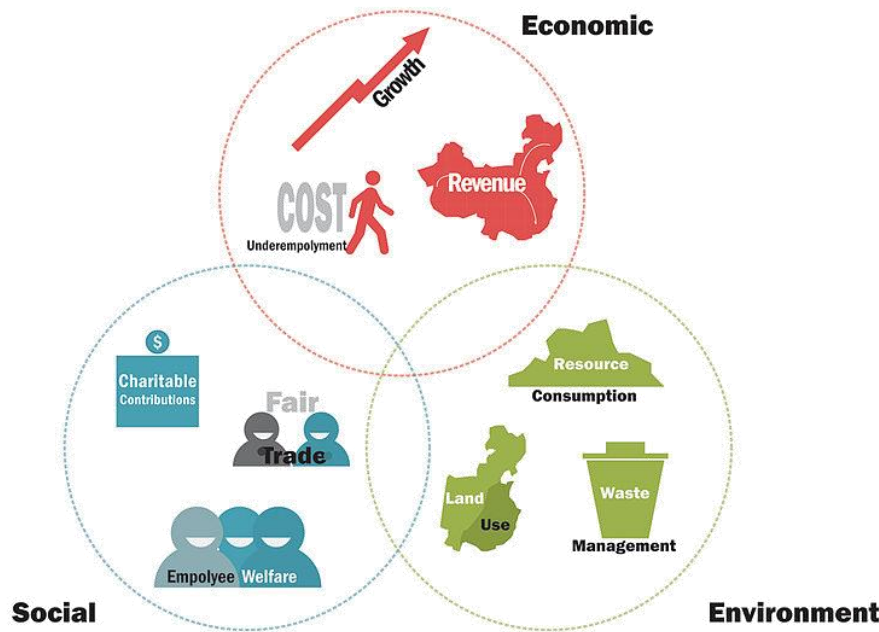
Sustainability is based on a simple principle: Everything that we need for our survival and well-being depends, either directly or indirectly, on our natural environment.

Sustainability creates and maintains the conditions under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic and other requirements of present and future generations.

(Source: www.epa.gov/sustainability)



What is sustainability for businesses?



Source: wikipedia.com

Triple bottom line:

- **People:** fair business practices towards labour and the community
- **Planet:** sustainable environmental practices
- **Profit:** Economic value created by the organization after deducting the cost of all inputs, including the cost of the capital tied up



Tips for you as an exporter

- **People:** Keep in mind the interdependence between the well-being of a company, labour and other stakeholder interests.
- **Planet:** Do no harm to the environment and minimise the environmental impact of your business.
- **Profit:** Consider all costs and social & environmental impacts when calculating your profit!





A brief history of sustainability

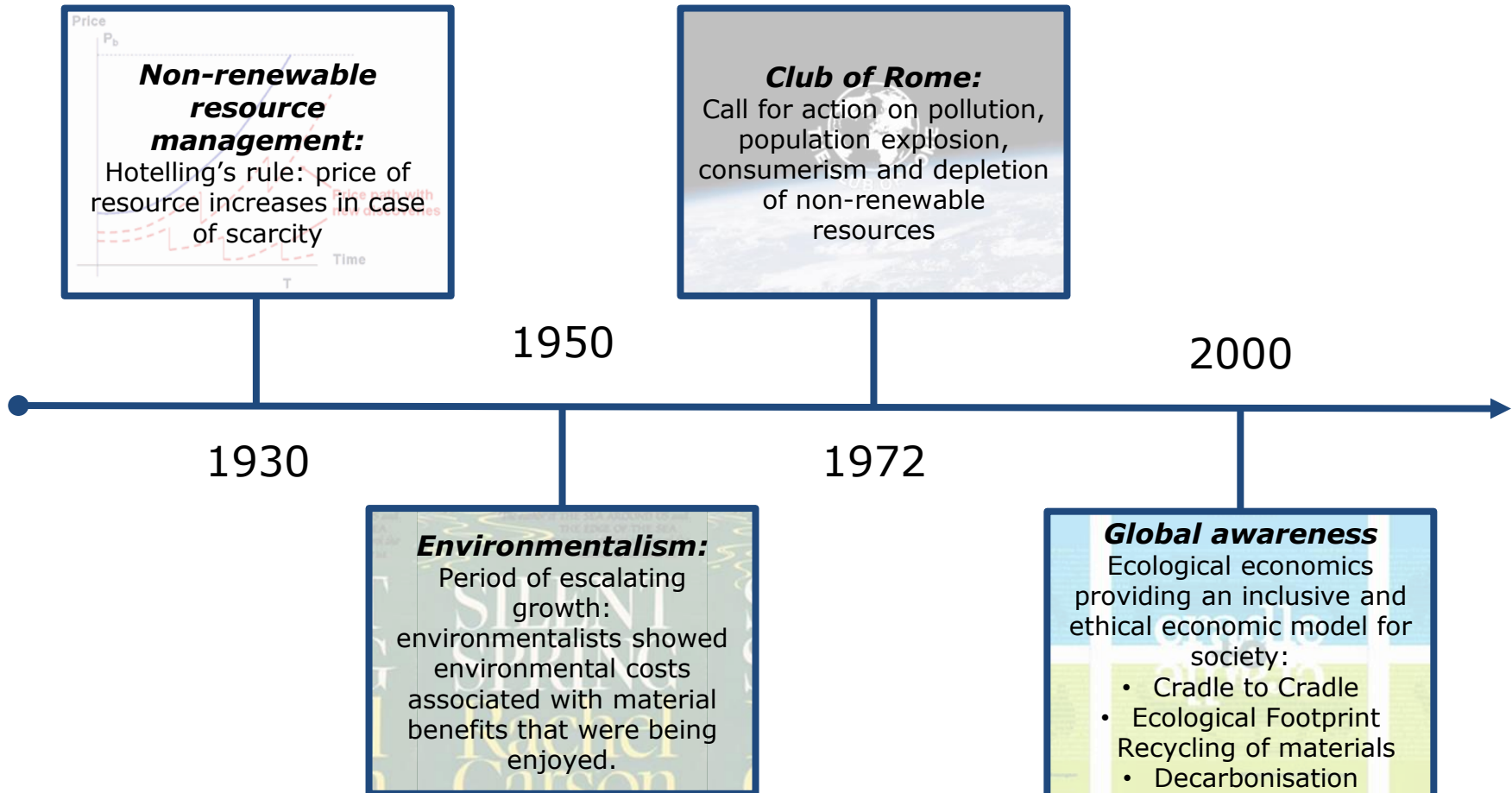


Why history is important?

- Get yourself acquainted with the history and theories of sustainability. It will help you in your conversations with buyers if you can show that you understand the drivers behind sustainability.

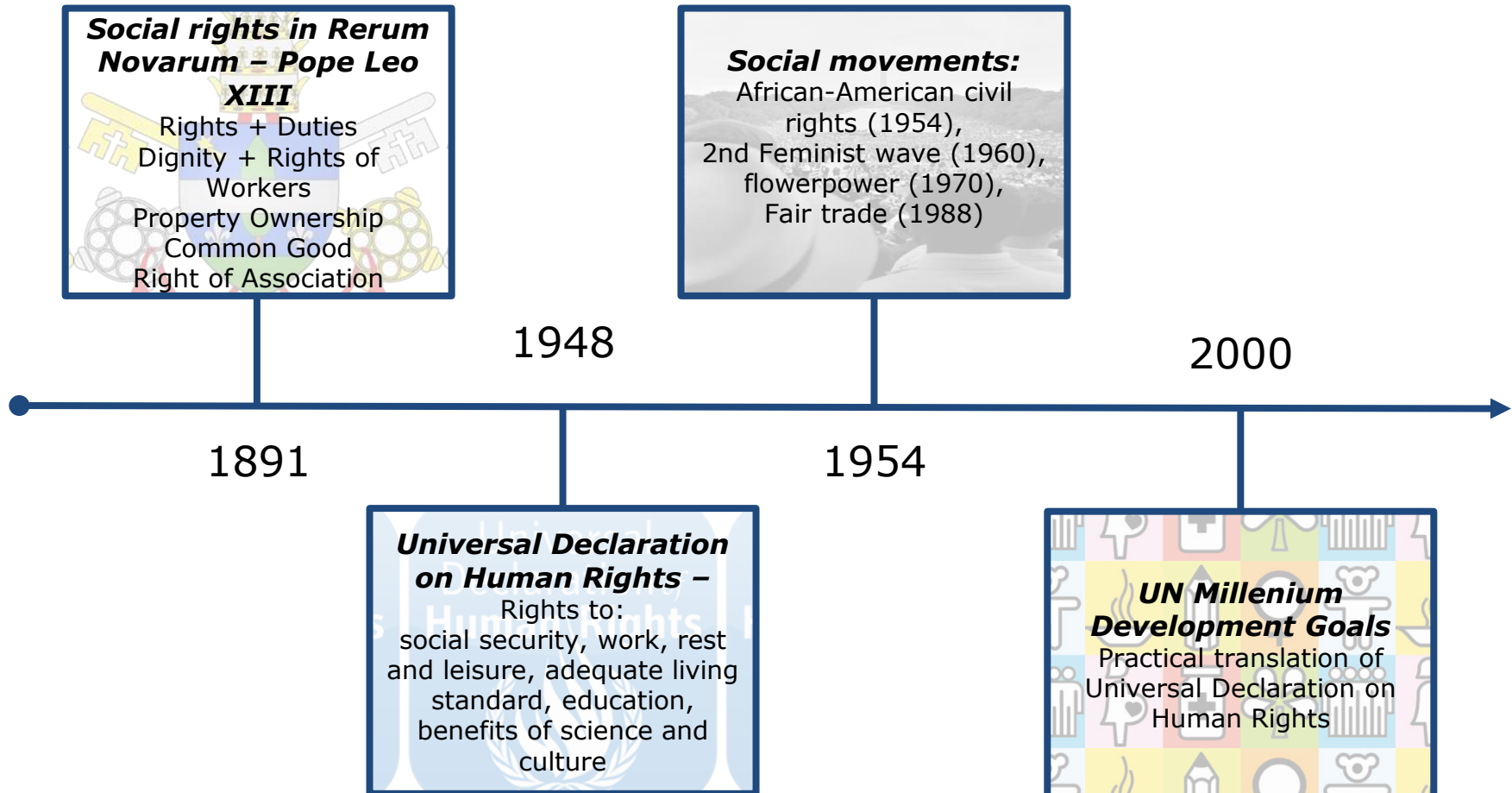


Brief history of sustainability: environment





Brief history of sustainability: social rights





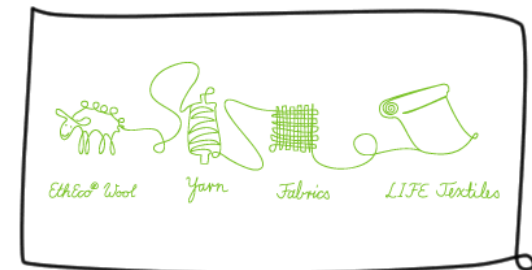
Trends – Where do we go?

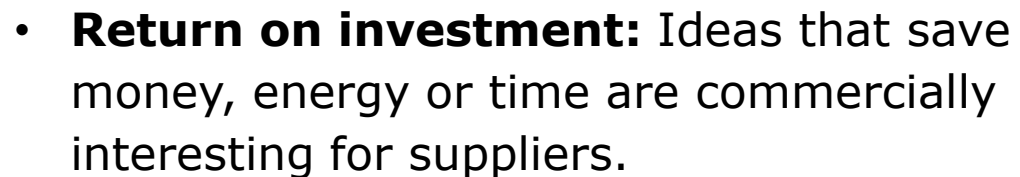
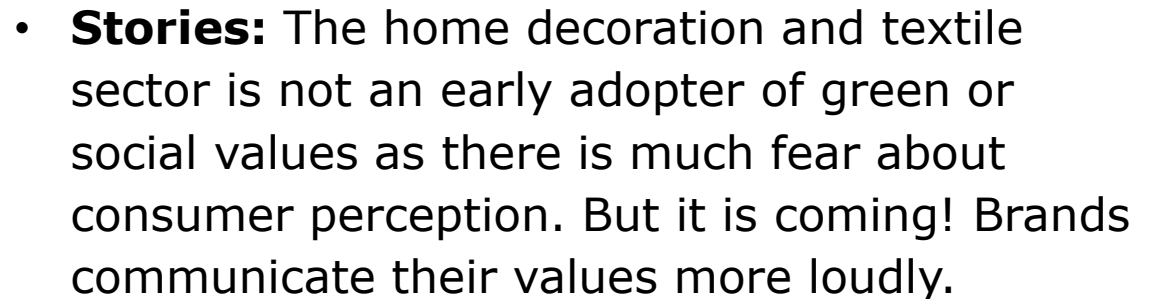
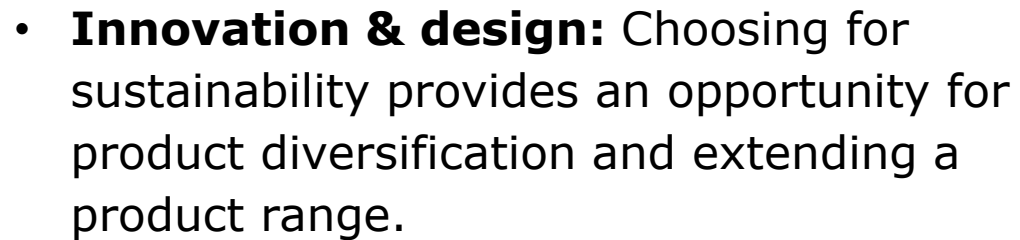
Source: startupfashion.com



Trends – consumer drivers

- **Awareness & transparency:** Consumers feel that they can contribute through consuming: conscious consumption! Consumers prefer brands with a positive contribution to a sustainable future.
- **Responsibility:** Consumers increasingly take sustainable products for granted. As a result, suppliers want to show that they are the greenest and most socially involved company.
- **Status:** In Europe, status is more and more derived by contributing to society rather than rattling your jewellery. Contributing to sustainability ranks high in the status game.







Tips for you as an exporter

- You can profit from growing awareness among consumers by clearly **promoting** the social and environmental impact of your production process.
- Your buyers will demand **proof** concerning the sustainability of your products. This can be done by using certification schemes or by simply not making any exaggerated or unrealistic claims about your product.
- Sustainable home products can more easily be linked to **status** if they look and feel luxurious. However, make sure that your sustainability story remains on top.
- Think about how you can produce your **existing** portfolio more sustainably. You can then extend your product range!



Trend towards more eco-friendly products

Environmental trends:

- **Increasing use of sustainable Materials:** Biodiversity and sustainable resource management, *e.g.* organic or FSC certification.
- **Demand for efficient Production Processes:** Lean and clean production process
- **More Recycling:** cradle-to-cradle, upcycling, re-using of waste and residues
- **Smart & Durable Design:** designs that have multiple, versatile and long-lasting uses



Examples: environmental objectives

Sustainable materials



Recycling



Production Process



Smart & Durable Design





Trend towards more 'socially' fair products

Social trends:

- **Fair Trade:** certified products ensuring fixed premium for workers (e.g. fairtrade certification), care programs for workers (e.g. BSCI).
- **Cause Trade:** Community-based approaches, showing local craftsmanship to add value
- **Cultural Trade:** Using local cultures to position product in the market



Examples: social objectives

Fair trade



Cultural trade



Cause trade





Tips for you as an exporter

- Emphasize the 'green' or 'social' aspects of your home products as they can give you a comparative advantage over other suppliers.
- By embracing certification that fits your niche market, you are better equipped to target this niche market. However, bear in mind that becoming certified brings with it significant costs.
- For more information on certifications and other buyer requirements focused on sustainability, please read CBI Buyer Requirements for [Home Decoration](#) and [Home Textiles](#).



Market for Sustainable Home Products

Source: substance151.com



Clear signs for growth

- No consumption data available for sustainable home products
- Based on the sales figures from the past, the market for sustainably produced products is expected to increase:
 - Fairtrade retail sales in Europe: +21% (fairtrade.net, 2013)
 - Organic market in Europe: +8% (fibl.org, 2013)
- Cotton sales: Both fairtrade and organic certified cotton showed increased strongly in the past years (see next slides).





Future growth projections

- The market is projected to be approximately 1% of the total home decoration and textiles market ([CBI, 2012](#)). This would mean that the market for sustainable home products would add up to approximately €360 million in 2012.
- The growth in the European market for sustainable home products is expected to continue in the next coming years.
- For more information on sustainable design for home decoration and textiles, please read [CBI Tailored Intelligence: The Sustainable Design Market for Home Decoration and Textiles](#).



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This survey was compiled for CBI by
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