

# Entering the European market for salad sets

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The European market for salad sets offers opportunities, but competition is strong. Given that the lower ends of the market tend to be dominated by mass-producing countries, the middle to high-end segments are likely to be the most promising for you. To appeal to these consumers, you should add value to your products through design, artisanry, materials and the story behind your salad sets. Sustainability also plays an important role. You must comply with mandatory legal requirements, as well as any additional requirements your buyers may have.

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## 1. What requirements must salad sets comply with to be allowed on the European market?

The following requirements apply to salad sets in the European market. For a more detailed overview, see our study on [buyer requirements for Home Decoration and Home Textiles \(HDHT\)](#).

### What are mandatory requirements?

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

- Food Contact Materials legislation;
- General Product Safety Directive/General Product Safety Regulation;
- Restricted chemicals: REACH;
- Packaging legislation;
- Intellectual property rights.

### Food contact materials

Salad sets destined for the European Union (EU) market must comply with the EU legislation on [Food Contact Materials](#) (FCMs). All FCMs must comply with [Regulation \(EC\) No 1935/2004](#). This states that they must come with the words 'for food contact', a specific indication of their use, or the 'food safe' symbol. In addition, all FCMs must be manufactured in accordance with Regulation (EC) No 2023/2006 on [good manufacturing practice](#).

The FCM legislation also contains specific directives for items made of [ceramics](#) (84/500/EEC), [plastic](#) (EU 10/2011) and [recycled plastic](#) (EU 2022/1616). These directives set out rules for the composition of these materials, permitted substances and Specific Migration Limits (SMLs). Additional FCM legislation regulates the use of [bisphenol A in varnishes and coatings](#) (EU 2018/213) and [certain epoxy derivatives](#) (1895/2005/EC).

### Tips:

For more information, see the European Food Safety Authority's [Frequently Asked Questions on the Food Contact Materials legislation](#).

Keep up to date on new limits for lead and cadmium in ceramics via the [roadmap on the initiative to lower metal limits for ceramic FCMs](#). This initiative may also introduce limits for aluminium, arsenic, barium, cobalt, chromium and nickel, possibly expanding the scope to include glass, crystal and enamelled metals.

Note that there is currently no certification for lead-free or cadmium-free ceramics in Europe. If you offer lead-free ceramic salad bowls and/or servers, you should promote this clearly.

## General Product Safety Directive/General Product Safety Regulation

According to the [General Product Safety Directive](#) (GPSD, 2001/95/EC), all non-food products marketed in the EU must be safe to use. In April 2023, the [European Council adopted a new regulation](#) to replace the GPSD. This [General Product Safety Regulation](#) (GPSR, EU 2023/988) will ensure that all products in the EU comply with the highest safety requirements, regardless of whether they are sold online or in traditional shops. It came into force in June 2023, and it will apply from December 2024 onwards.

Unsafe products are rejected at the European border or withdrawn from the market. The EU uses the [Safety Gate](#) system to list and share information about such products.

### Tips:

Read more about the [General Product Safety Directive](#) and the new [General Product Safety Regulation](#).

Be sure that you are in compliance with the new General Product Safety Regulation by December 2024.

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

Search the [Safety Gate alerts](#) for salad sets to get an idea of what issues may arise.

## Restricted chemicals: REACH

The [REACH](#) regulation (EC 1907/2006) lists restricted chemicals in products that are marketed in Europe.

Restricted chemicals in the production of salad sets include:

- Lead in paints and glazing for ceramics;
- Arsenic and creosotes as wood preservatives.

### Tips:

Be sure that you are in compliance with the restrictions for the use of chemicals, as specified

in [REACH](#).

Become familiar with the full list of restricted substances in products marketed in Europe through the [Access2Markets](#) platform.

For information and tips from the European Chemical Agency (ECHA), see for instance [REACH Annex XVII](#) (a list of all restricted chemicals), [information for non-EU companies](#) and [questions & answers](#).

## Packaging legislation

The EU's [Packaging Directive](#) (94/62/EC) aims to prevent or reduce the impact of packaging and packaging waste on the environment. Buyers may therefore ask you to minimise the use of packaging materials and/or to use sustainable (for example, recycled) materials.

The EU's [Circular Economy Action Plan](#) identifies packaging as a sector that uses the most resources, with a high potential for circularity. By 2030, all packaging on the EU market should be reusable or recyclable in an economically viable way. To help achieve this, a new Packaging and Packaging Waste Regulation (PPWR) is being developed.

Europe also has [requirements for wood packaging material and dunnage](#) (WPM) used for transport, including packing cases and pallets. The goal is to prevent organisms that are harmful to plants or plant products from entering and spreading within the EU.

### Tips:

For more information, see the EU's [packaging and packaging waste legislation](#) and factsheet on [wood packaging materials](#).

Stay up to date on the [proposal for a new regulation](#).

## Intellectual property rights

When developing products for the European market, you must take care not to copy any existing designs. [Intellectual property \(IP\) is protected in Europe](#), and products that violate IP rights are banned from the market. The European Commission has adopted a new [IP action plan](#), which provides European companies with access to fast, effective and affordable protection tools.

### Tips:

For more information, see the [European Union Intellectual Property Office](#) (EUIPO) and the [World Intellectual Property Office](#) (WIPO).

Keep track of developments in Europe through the [state-of-play of the implementation of the key actions](#) mentioned in the IP action plan.

## What additional requirements do buyers often have?

Buyers often have additional requirements on the following aspects:

- Sustainability;
- Crystalline silica;
- Labelling and packaging;
- Payment and delivery terms.

### Be sustainable (or more sustainable)

Social and environmental sustainability are becoming increasingly common requirements in the European HDHT market. Environmental sustainability focuses on your company's impact on the environment. Aspects include the sustainability of your raw materials and production processes. For example, you could minimise your negative impact by using renewable and sustainably produced natural materials and dyes.

Social sustainability focuses on your company's impact on the well-being of your workers and the community. Issues like fair wages and safe working conditions are key topics.

You can highlight your sustainable activities and policies in the 'story' behind your product and company. Buyers appreciate good storytelling, which helps their customers develop an emotional connection with your products.

### Consumers value sustainability

The increasing importance of sustainability is reflected in a recent Maison & Objet Barometer, in which [62% of responding HDHT retailers reported noticing a growing interest in ethical products amongst their customers](#). The survey further indicates that 92% of their customers consider natural materials important or very important, with 77% valuing socially responsible production methods and 71% caring about recyclable/recycled materials.

A growing number of European buyers would like their suppliers to comply with the following schemes:

- [Business Social Compliance Initiative \(BSCI\)](#): An initiative of European retailers to improve social conditions in sourcing countries. They expect their suppliers to comply with the [BSCI Code of Conduct](#).
- [Ethical Trading Initiative \(ETI\)](#): An alliance of companies, trade unions and voluntary organisations. The ETI aims to improve the working conditions in global supply chains through its [ETI Base Code of labour practice](#).
- [Sedex](#): A membership organisation striving to improve working conditions in global sourcing chains. The [Sedex platform](#) allows you to share your sustainable performance, based on a self-assessment.

Various standards (for example, [ISO 14001](#) and [SA 8000](#)) provide information on options for sustainability. Note, however, that only niche-market buyers demand compliance with such standards.

### Avoid greenwashing - Be honest about your sustainability

Being honest about your sustainability is very important. Buyers and consumers must be able to trust you. In many cases, however, companies pretend to be doing more for the environment than they really are. This is known as 'greenwashing'. In a recent European screening of websites, [many green claims](#)

were believed to be exaggerated, false or deceptive. This explains why [Europeans do not have much faith in sustainability claims](#).

Sources that can help you communicate your sustainable performance honestly and effectively include:

- [Guidelines regarding sustainability claims](#) by the Netherlands Authority for Consumers and Markets
- [Guidance for businesses on making environmental claims](#) by the British Competition and Markets Authority

### Tips:

Optimise your sustainability performance. Study the issues included in various initiatives (for example, [BSCI](#) and [ETI](#)) to learn what you should focus on.

If you are able to demonstrate your sustainability performance, this could give you a competitive advantage. To do this, you could use self-assessments (for example, through the [Sedex platform](#)), or codes of conduct (for example, the [ETI base code](#) of labour practices).

For more information, see our special study on [sustainability in HDHT](#) and our webinar on [sustainability in the European HDHT market](#).

See the ITC Standards Map for more information on [BSCI](#), [ETI](#), [Sedex](#) and [SA8000](#).

For more information on European developments in the field of human rights and sustainability, see the [proposal for a Directive on corporate sustainability due diligence](#). This Directive requires larger companies to identify and, where necessary, to prevent, eliminate or reduce the negative impact of their activities on human rights and the environment.

## Handle crystalline silica with care

[Respirable crystalline silica](#) (RCS) can cause lung cancer through inhalation. In the ceramics industry, crystalline silica is used primarily in the form of quartz and cristobalite. If you work with ceramics, you should be aware that European buyers care about worker safety and may demand proper handling of crystalline silica during production.

### Tip:

See the [European Network on Silica](#) for access to various materials, including a [Good Practice Guide](#).

## Label products and packaging correctly

The information on the outer packaging should match the packing list sent to the importer.

Outer packaging labels should include the following:

- Producer name;
- Consignee name;
- Quantity;
- Size;
- Volume;
- Caution symbols.

Buyers will specify the information they need on product labels or items itself (for example, logos or 'made in...' information). This will be part of the order specifications. In Europe, [EAN or barcodes](#) are commonly used on product labels.

## **Package your products properly**

### **Importer specifications**

You should pack salad sets according to the importer's instructions. Importers have their own specific requirements for packaging materials, filling boxes, palletisation and stowing containers. Always ask for the importer's order specifications. They should be part of the purchase order.

### **Damage prevention**

Proper packaging minimises the risk of damage caused by shocks. The way in which an item should be packaged for export depends on how easily it can be damaged. Packaging should ensure 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. In most cases, therefore, packaging consists of inner and outer cardboard boxes. The inner boxes are filled with protective materials or clever partitioning with corrugated cardboard.

If you produce wooden salad sets, you should properly dry the wood after production to prevent mould or cracks. Condensation inside the container during transport can also cause mould. This is due to humid air that becomes colder at night and warmer during the day. Good air ventilation inside the container can prevent this. You should therefore inspect containers for air holes before shipment. You could also include products to reduce humidity amongst the cargo. Make sure to follow the importer's instructions.

### **Dimensions and weight**

Packaging must be easy to handle in terms of size and weight. Standards are often related to labour regulations at the point of destination, and they must be specified by the buyer.

### **Cost reduction**

Boxes are usually palletised for air or sea transport, and you should maximise the use of pallet space. Nesting or stacking can reduce costs. Consider this when designing your products.

Although packaging should provide maximum protection, you should also avoid using excess materials or shipping 'air'. Waste removal is a cost to buyers.

You can reduce the amount and diversity of packing materials by:

- Using folded cardboard to create partitions inside the cartons
- Using standard sizes to match inner and outer boxes
- Considering packing and logistical requirements when designing your products
- Asking your buyers for alternatives

### **Material**

Importers are increasingly banning wooden crating and packaging. Economical and sustainable packaging materials are more popular. The use of biodegradable materials can be a market opportunity, and some buyers

may even demand it.

## Consumer packaging

Salad bowls are usually not tagged at the retail level, except for product brands. In that case, the importer may print tags and send them to you to attach to the products during packing. Tags can also be printed and produced in the country of origin, usually based on a video sent by the importer. Salad servers are tagged more often, as they have a higher gift value. Any additional information could enhance the attractiveness of the gift.

The importer usually designs attractive consumer packaging to reflect the brand identity. Wooden bowls and servers are often supplied without packaging, to add to the natural effect. Occasionally some form of gift-wrapping is offered, like a box for servers. Showing your buyer that you can also take care of packaging could give you a competitive advantage.

### Tips:

Always ask for the importer's order specifications, packaging and labelling requirements.

See [Packaging Europe](#) for more information on the latest packaging developments.

## Agree on payment and delivery terms with your buyer

Payment terms are usually agreed on with the buyer in the order contract. These terms vary from buyer to buyer, and they are related to the volume and value of the order, the type of distribution partner, the involvement of an agent and the applicable delivery terms.

Delivery terms (known as [Incoterms](#)) depend on the type of distribution partners and their preferences regarding physical distribution. In general, HDHT importers prefer Free On Board (FOB) or Free Carrier (FCA) arrangements.

### Tips:

See our [tips for organising your exports](#) for more information on payment and delivery terms.

Study the various types of Incoterms, including the rights and obligations of you and your buyers are.

See our [study on terms and conditions](#) for a more elaborate overview, as well as information on how to work with them and the benefits of having your own.

## What are the requirements for niche markets?

Fair-trade practices and sustainability certification are the most common niche-market requirements.

### Fair trade

The concept of fair trade supports fair pricing and improved social conditions for producers and their communities. Fair-trade certification can give you a competitive advantage, especially if the production of your items is labour-intensive. This certification often includes aspects of environmental sustainability as well.

Common fair-trade certifications are issued by the [World Fair Trade Organization](#) (WFTO) and [Fair for Life](#). For most European buyers who are oriented towards fair trade, however, it is usually sufficient to comply with the WFTO's [10 principles of fair trade](#).

Figure 1: WFTO's 10 principles of fair trade



Source: [WFTO](#)

### 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.

Determine which certification programme would be the most suitable for you, and apply for it if you can.

If certification is not feasible, work according to the WFTO [principles](#) without being officially guaranteed or certified. Carefully document your company processes in order to support your story.

Consult the ITC Standards Map database for more information on [Fair for Life](#).

## Sustainable wood

Certification from the Forest Stewardship Council ([FSC](#)) is the most common label for sustainable wooden products. The [FSC chain of custody certification](#) guarantees that a product's source material comes from responsibly managed forests. These products are especially popular in Western European markets. Non-timber forest products (for example, rattan and bamboo) can also be certified.

The Programme for the Endorsement of Forest Certification ([PEFC](#)) is another option. As is the case with FSC, the [PEFC chain of custody certification](#) verifies that the forest-based material in a product comes from sustainably managed forests.

### Tips:

For more information on the application process, see the [5 steps towards FSC certification](#) and/or [how to become PEFC Certified](#).

If you use recycled wood or paper, apply for the [FSC Recycled label](#).

See the FSC brochure on [the value of FSC for furniture](#).

Read more about [FSC](#) and [PEFC](#) in the ITC Standards Map.

## 2. Through what channels can you get salad sets on the European market?

The European market for salad sets is segmented into low, middle and high-end (premium) segments. The items are brought to the market through the traditional channels (for example, importers/wholesalers supplying to retailers; retailers buying directly from suppliers).

### How is the end market segmented?

Figure 2: Segmentation of the European market for salad sets



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

#### Low-end market

The low-end market consists of industrially mass-produced items, usually in inexpensive materials — particularly plastics. Salad sets for this market should be functional, basic in their design, easy to replace, inexpensive, and quick and easy to buy. Retailers in this segment include department stores like Dutch [HEMA](#) and hypermarkets such as France's [Carrefour](#). Because this market is dominated by mass-produced items from countries such as China, your opportunities are limited. Instead, you should focus on the middle to high-end markets.

#### Mid-end market

Salad sets in the mid-end market are also standardised, but trendier. They offer some interest through new innovative shapes or handmade effects. Danish brand [Nordal](#) and German retailer [GALERIA Karstadt Kaufhof](#) are examples of important players in this market, where prices are reasonable.

The mid-end segment is suitable for you in terms of product quality, trendiness, sustainability and products with a story. Especially the upper end of this segment, where there is a market for handmade or semi-handmade items. For wooden sets, the more precious the wood type, the higher the segment they can reach.

#### High-end/premium market

In the high-end/premium market, salad sets are characterised by high-quality design, artisanry and brand names. This is a segment where handmade dinnerware is also highly appreciated and can achieve decent margins, although volumes might be limited. Luxury department stores (for example, [Harrods](#)) and kitchenware specialists (for example, [Alessi](#)) play an important role in this regard.

### Through what channels do salad sets arrive on the end-market?

The channels through which salad sets are brought to the market follow the traditional patterns for HDHT items, with imports taking place through importers/wholesalers supplying to retailers. Larger retail chains often bypass the importers/wholesalers and import themselves, and smaller retailers have also started buying directly from their suppliers. In some cases, buying agents are involved.

Figure 3: Trade channels for salad sets in Europe



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

## Importers/wholesalers

Importers/wholesalers sell products to retailers in their own countries or regions, or they re-export across Europe. Some European markets are therefore supplied by importers/wholesalers from other European countries (internal European trade). Supplying to buyers in the project market (for example, hotels and spas) can be considered a secondary distribution flow for European importing wholesalers.

Import procedures are handled by importers/wholesalers, who take ownership of the goods when they buy from you (as opposed to agents), thereby assuming the risks associated with the further sale of the products. Developing a long-term relationship can lead to a high level of cooperation on appropriate designs for the market, as well as on new trends, use of materials, type of finishing, and quality requirements.

## Importing retailers

Retailers come in many sizes: large and part of a chain, or small and independent. Larger retail chains are especially likely to import directly from their suppliers in developing countries. Many even have their own buying offices in developing countries. Others — mainly smaller independent stores — order from wholesalers in Europe.

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

## Buying agents, buying houses and sales agents

You are likely to encounter several types of intermediaries when doing business with European buyers:

- European buying agents represent European buyers in sourcing countries. They act as intermediaries, meaning they do not import products themselves. In some cases, their role is more limited (for example, verifying the quality of products). They can work either individually or as part of a purchasing company.
- Buying houses are comparable to buying agents, but are based in your country and, in most cases, they offer more services. These services can range from the sourcing of raw materials to support in design and sampling.
- European sales agents can help you find European buyers. You should be cautious before entering into agreements with commercial agents, however, as their position is protected by [European legislation](#).

Most agents and buying houses work on commission. They may approach you directly, or buyers may prefer to use intermediaries. You should nevertheless always try to work directly with your buyers. This will save on commission and allow you to communicate directly with your buyers.

## E-commerce

E-commerce has been growing in recent years. It became particularly popular during the pandemic, which drove consumers to buy their HDHT products online. Your best opportunity for benefiting from this trend is by supplying to European wholesalers or retailers with a strong online presence. For most producers, therefore, this is not a separate channel. Although retailers often combine online and offline channels, the manner of supplying is the same for both types of sales. Companies that sell only online must also take stock before they can sell.

### Direct business-to-consumer (B2C) sales

Selling directly to European consumers through your own website can be complicated and costly. You are responsible for many factors, including aftersales obligations and payment systems for consumer use. For most exporters from developing countries, this is not feasible. In addition, according to the Dutch consumer association Consumentenbond, [Dutch consumers tend to buy less from non-EU webshops](#), due

to the introduction of [new EU VAT rules](#) in July 2021. This makes direct online sales even less attractive.

### Tips:

To find potential buyers, search the list of exhibitors or attend the main trade fairs in Europe (either online or in person): [Ambiente](#) (February) in Frankfurt and [Maison & Objet](#) (January and September) in Paris.

See our [tips for finding buyers](#) in the European HDHT market.

For more information about trading directly with smaller retailers and e-commerce, see our [study on alternative distribution channels](#).

## What are the most interesting channels for you?

The most interesting trade channels for you are importers/wholesalers and importing retailers.

Importers/wholesalers are the main channel between exporters in developing countries and European retailers. They are interesting if you would like to develop a long-term relationship. Because these importers usually know the European market well, they can provide you with valuable information and guidance on market preferences. They generally prefer Free on Board (FOB) or Free Carrier (FCA) Incoterms.

Figure 4: Incoterms



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

Large retailers are increasingly importing for themselves instead of through importers/wholesalers. The obvious advantages include eliminating the margins of the wholesaler and reducing delivery time to the market. In the lower-end market segments, self-importing retailers might want to drive a much harder bargain with you, in order to keep prices as low as possible. Because prices are somewhat less sensitive in the middle to high-end segments, however, they are likely to offer the most opportunities.

Smaller, independent retailers continue to buy mainly from domestic importers/wholesalers. As is the case in other sectors, however, independent HDHT retailers struggle to compete with retail chains. They have to differentiate on value-added service, specialised offers and authenticity. One interesting way for them to do so is by buying directly from producers in developing countries. They typically prefer to order small quantities of each item, along with small total order volumes and delivery to their doorstep using Delivered Duty Paid (DDP) or Delivery At Place (DAP). Repeat orders are less likely.

The trend of direct sourcing is expected to continue and may create more opportunities for you. The pool of buyers will grow as more retailers become importers, and this could improve your bargaining position. Importing retailers order for their own shops and can therefore place orders much more quickly than some importers/wholesalers, who may need to show samples to their retailers before ordering. You should calculate whether trading directly with smaller retailers would be cost-effective for you.

### **Tips:**

Consider targeting retailers directly to improve your bargaining position and potentially close deals faster.

Relate your offer and terms to the targeted retailer (large/small). If you are uncertain, ask your existing buyers how they operate. The better informed you are, the better you will be able to set prices.

Build relationships based on mutual benefits by offering fast delivery, after-sales support or similar services.

If you are interested in selling to small independent retailers, make sure to have a policy for them when you participate in international or European trade fairs. You should have appropriate terms of trading (for example, low minimum order quantities or pre-stocking).

## **3. What competition do you face on the European market for salad sets?**

China is Europe's leading supplier of tableware and kitchenware. Many of these supplies consist of mass-produced items for the lower-end segments. Instead of competing with these companies, your best opportunities are in the middle to high-end segments, where you can add value.

China is by far the main supplier of tableware and kitchenware to Europe, accounting for 41% of these imports in 2022 (UN Comtrade). Germany follows at a distance with 9.1%, followed by the Netherlands (5.3%), Poland (5.0%), Italy (4.5%) and Turkey (3.8%).

### **Re-exporters or producers**

European countries have different roles in the HDHT market. Some are mainly importers and others are mainly manufacturers. Western European countries are mainly importers. Most Western European importers are re-exporters. They do not just sell their products in their own countries, but distribute them across the continent.

European production takes place primarily in Eastern Europe, largely because of the relatively low cost of transport and labour. This can make these countries a good alternative for European buyers to source low to mid-end products. Western and Southern Europe also produce some high-end products from well-known premium brands with a long history.

## **Which countries are you competing with?**

Source: UN Comtrade

## **China dominates the market (particularly the lower end)**

China is by far the leading supplier of tableware and kitchenware to Europe. Its supplies grew from €2.1 billion in 2018 to €2.9 billion in 2022, at an average annual rate (CAGR) of 9.0%. About one third of these imports are plastic items, and about 44% are ceramics. China has become the 'ceramic factory of the world', handling the production of many European brands. Chinese producers mainly supply the lower ends of the market for salad sets with low-priced products, benefitting from their strengths in productivity and production management.

China is a competitive supplier because of its low-cost workforce, availability of raw materials and efficient shipping to Europe compared to other Asian countries. In the past 10 years, however, its price competitiveness has been affected by rising labour costs. In the coming years, China's trade war with the United States and other disruptions may affect its exports. Moreover, European importers are seeking to become less dependent on China as a single supplier. This could benefit companies from other developing countries, like you.

Smaller importers are increasingly looking for second sources in Asia (for example, Vietnam, India, Indonesia or Thailand). This also applies to importers whose designs require some handwork. To avoid having to compete with Chinese suppliers on costs, you should avoid mass-produced salad sets. Instead, focus more on sustainability, natural materials and the story behind your products in order to enter the mid-end and high-end markets, where your best opportunities will be.

## **Poland keeps its position as a regional supplier**

As an Eastern European country, Poland benefits from its proximity to the Western European market, which allows suppliers to offer short delivery times. At the same time, labour is relatively affordable compared to Western Europe. Suppliers have a good understanding of European consumers and have efficient, well-established production lines. In addition, products that are 'Made in Europe' are increasingly popular.

Poland steadily increased its exports of tableware and kitchenware to Europe, until they peaked in 2021. They thus grew from €290 million in 2018 to €347 million in 2022. This translates to a CAGR of 4.7%, as Poland's share of the European import market returned to 5.0%.

More than half of all Polish supplies of tableware and kitchenware to Europe are made of plastic. With these items, Polish manufacturers compete primarily in the more price-sensitive lower and lower-middle ends of the market. Instead, you should focus on the middle to high-end segments by offering special design value, artisanry, natural and sustainable materials, and interesting stories about makers and making. Make sure you offer a high level of service in order to build strong, lasting relationships.

## **Turkey also benefits from its convenient location**

Like Poland, Turkey also has the advantage of being located close to the European market, in addition to a relatively well-developed production system. Its supplies of tableware and kitchenware to Europe have rebounded after the trade disruptions of 2020. This led to an increase from €153 million in 2018 to €262 million in 2022, at a CAGR of 14%. These figures translate to a direct import-market share of 3.6%. About 60% of these supplies are made of plastic, and 40% are made of ceramics.

The country is still trying to find its place in the market for salad sets and discovering whether its positioning should emphasise price/volume or on design value. To compete with this relative newcomer, you should focus on your own unique strengths and occupy the right niches before others do.

## **Thailand is a traditional mid-market supplier**

Thailand specialises in ceramics (more in stoneware and earthenware than in porcelain), but it also has a reputation for artisanry in wood when it comes to serveware. Most Thai players are small and medium-sized manufacturers, supplying creative, well-designed products aimed at the higher ends of the mid-end market. They can produce salad bowls (and other items) with either traditional Thai patterns or modern designs, under

their own brands or through contract manufacturing.

Thai manufacturers have nevertheless struggled to contain their costs and, in many cases, prices no longer correspond to those in the middle to high segments. This is related to the macro-economic situation in the country. Competition with Thai suppliers in the middle to high segments will have to be mainly in terms of price and service.

Thai exports of tableware and kitchenware to Europe plummeted in 2020, but they have been recovering steadily since then. This has led to an increase from €159 million in 2018 to €174 million in 2022, at a CAGR of 2.3%. Thailand's direct import-market share has thus returned to 2.5%. More than two thirds of these supplies are ceramics.

## **Vietnam is another low-cost producer**

Like suppliers from China, Vietnamese manufacturers are very productive and can produce at low cost. Their supplies of tableware and kitchenware to Europe grew from €101 million in 2018 to €118 million in 2022, at a CAGR of 3.8%. This was mainly due to strong performance in 2022, which brought the country's direct import-market share back to 1.6%. Most of these items consist of metal cutlery and plastic items.

Vietnamese suppliers generally have a good idea of what is commercially successful and trendy. Their effective combination of handmade and mechanised production enables them to cater to a wide range of lower and mid-end markets. They have therefore been an effective second-sourcing alternative to suppliers from China for several years now. Your segments should be somewhat above those occupied by Vietnam (so, middle to high-end segments). This requires a good level of design, relevant prices for the segment and, increasingly, sustainable values.

## **India maintains its market share**

With skilled labour and transport at competitive costs, India is well-positioned to take a larger share of the market. Indian supplies of tableware and kitchenware to Europe grew from €70 million in 2018 to €107 million in 2022, at a CAGR of 11%. This resulted in a direct import-market share of 1.5%. These supplies consist mainly of plastic and wooden items. A strong contender in all areas of the mid-end market, India is an example of how successful design and marketing need to go hand in hand for any supplier from a developing country to be able to compete in an extremely competitive market for tableware and kitchenware.

India has a rich craft culture, with an abundance of producers and easy access to natural materials. This allows them to target higher market segments than those dominated by mass-produced products from China. In addition, India is increasingly offering an effective combination of handmade and more mechanised production techniques. As it becomes more difficult for buyers to order short runs from China, India is becoming a popular alternative. This is especially the case because European lifestyle buyers have already been sourcing broad HDHT collections from India and are increasingly able to do one-stop shopping.

### **Tips:**

Compare your products and company to the competition. You can use [ITC Trade Map](#) to find exporters from specific countries. You can compare on market segment, price, quality and target countries.

To stand out from your main competitors, focus on design, artisanry, quality and the story behind your products.

## Which companies are you competing with?

The following companies are examples of the type of competition you face in the European market for salad sets.

### Asha Handicrafts Association, India

Founded in 1975, [Asha Handicrafts](#) is a WFTO-certified fair-trade organisation with an impressive heritage. Working with over 800 artisans across the country, they have access to a broad range of skills and materials. They offer a wide variety of HDHT products. For their salad sets they use the local Sheesham wood, combining it with inlay and other decorative techniques. A full collection of kitchenware and serveware is offered in this wood, including trays, trivets and a recipe book holder.

Figure 6: Asha Handicrafts introduction

Source: [Asha Handicrafts @ YouTube](#)

As a social enterprise, Asha Handicrafts invests all profits in the social welfare of the company's artisans and their families. As Asha is consistently audited on their compliance with the WFTO [10 principles of fair trade](#), they offer good value to distribution partners in wholesale and retail, at any level of the market.

### Namuos, Lithuania

As a brand dedicated to producing items created by Lithuanian designers, [Namuos](#) is an example of a company that is now entering the market as a brand, after supplying products under a private label arrangement. Namuos, meaning 'at home', focuses on kitchenware and bathroom decoration. Their birchwood salad servers express their design philosophy: "functional design inspired by nature and natural materials", but they are actually quite playful in style and colouration. It places them in the middle end of the mid-market, with the potential to move upwards.

Namuos is now mostly targeting retail, as well as the project market. That is quite a positive change from how

the Lithuanian manufacturing sector is generally perceived: as an anonymous private label supplier to wholesale and multiple retail. As a young and contemporary brand working with natural materials, they strive to minimise their environmental impact. For example, they use sustainable materials (for example, water-based varnish and eco-certified waxes/oils for product finishing), in addition to recycling manufacturing scraps and using them to create new products.

Fern, Indonesia

Indonesia’s [Fern](#) is a homeware and jewellery company based on the island of Bali. The company’s objective is ‘to create products that are beautiful and useful and at the same time have the smallest possible impact [on] our environment’. It uses leftover materials or wood from sustainable plantations. Fern’s products are handmade by artisans from ±50 local families, who are also involved in product design. The company offers a range of wooden and brass flatware, including salad servers in various styles. The designs are often nature-inspired (for example, their [Ginkgo Biloba leaf-shaped servers](#)).

Fern sells its products to international customers through its webshop, and it serves its local market with a shop on the island. The woman-owned company is also active on [Faire.com](#), an online business-to-business (B2B) marketplace for small independent retailers and brands in Europe, North America and Australia.

Which products are you competing with?

Most competition for manufacturers of salad sets comes from within the product category itself, and it can be fierce. For salad sets of any material, straightforward alternatives of other materials are available. Consumers can choose between salad sets made of ceramics (including porcelain, stoneware and earthenware), glass, wood, metal, plastic and bamboo.

**Tips:**

Compare your products and company to the competition. The [ITC Trade Map](#) can help you find exporters from each country, and compare them in terms of market segment, price, quality and target countries.

Focus on design, artisanry, quality and the story behind your products to distinguish your company from competitors.

4. What are the prices for salad sets on the European market?

Prices for salad sets vary across market segments, ranging from low-end to high-end. After adding logistics costs, wholesaler and retail margins and Value Added Tax (VAT), European consumer prices amount to about 4-6.5 times your selling price.

An overview of the prices of salad sets in the low, middle and high-end market segments is provided in Table 1. These figures are intended purely as an indication, and prices vary depending on technique, material, design, size, brand and other forms of added value, including a strong sustainable concept.

Table 1: Indicative consumer prices for salad sets in Europe

	Low-end	Mid-end	High-end/premium
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Salad bowls	Up to €30	€30–75	€75 and higher
Salad servers (pair)	Up to €15	€15–40	€40 and higher

Consumer prices depend on the perceived value of your product within a particular segment. This is influenced by your marketing mix.

Figure 7: Marketing mix – The 4 P's



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

The European consumer price for your product is about 4–6.5 times your **FOB** price. In addition to the costs of energy, labour and transport, FOB prices depend heavily on the availability and cost of raw materials. Because occasional cost increases are not passed directly on to the consumer, they exert pressure on the margins of exporters, importers and retailers. Recent disruptions have nevertheless resulted in longer-term cost increases. This continuing pressure has led many retailers to raise their consumer prices. As shipping rates and other costs begin to drop again, consumer prices may follow.

Consumer prices generally consist of the following:

- Your FOB price;
- Shipping, import, handling costs;
- Wholesaler margins;
- Retail margins;
- VAT – varies by country, about 20% on average.

Figure 8: Indicative price breakdown for salad sets in the supply chain



Source: Globally Cool, GO! Good Opportunity & Remco Kemper

For example, in Table 2, the FOB price is set at €10. Depending on the market segment for which your product is designed, the consumer price could range from €41 (low-end) to €65.50 (high-end).

Table 2: Example of the price breakdown by market segment

	Low margin	Middle margin	High margin	
FOB price	€10	€10	€10	Your FOB price

Transport, handling charges, transport insurance, banking services (20/15/15%)	+2 €12	+1.5 €11.50	+1.5 €11.50	Landed price for the wholesale importer
Wholesalers' margins (50/75/90%)	+6 €18	+8.60 €20.10	+10.40 €21.90	Selling price from the wholesale importer to the retailer
Retailers' margins (90/110/150%)	+16.20 €34.20	+22.20 €42.30	+32.70 €54.60	Selling price excluding VAT from the retailer to the end consumer
Selling price including VAT (20%)	+6.80 €41	+8.50 €50.80	+10.90 €65.50	Selling price including VAT from the retailer to the end consumer

The FOB price of €10 includes your own margins as a producer. These margins depend on your efficiency and price setting. Margins in the lower segment, which entails high volumes for low prices, are generally smaller than those in the middle and higher segments.

The following are a few examples of process for salad sets:

- Hand-carved mahogany salad servers, [South West Coast Refills](#) (United Kingdom), £9.99
- Fair-trade porcelain salad bowl, [GLOBO](#)(Germany), €45
- Stainless steel designer salad bowl, [Alessi](#)(Italy), €75/€210

### Tips:

Study consumer prices in your target segment to determine your price and adjust your cost accordingly. The quality and price of your salad sets must match what is expected in your chosen target segment.

Calculate your prices regularly and carefully, especially if prices of your raw materials fluctuate. If raw-material prices are pressuring your margin for longer periods, consider increasing your price or finding an alternative.

Understand your segment. Offer a correct marketing mix to meet consumer expectations. Adapt your business model to your position in the market.

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

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