

SERVICIOS AL  
EXPORTADOR

información

2013

Informe Especializado



**Executive Report: Home  
decoration industry  
United Kingdom**

**Setiembre 2013**

*prom*  
perú

## A. General characteristics of the sector

UK retailing is set for another year of tough trading as the hope for economic recovery is put back further and austerity continues to reign, according to Verdict/SAS research, the UK-based Business Analytics software and services that works with various retail brands.

“In the current atmosphere, it is hard to state, but in general UK market is very receptive to new and well-designed, functional products. The look can vary in terms of colour, styling, material and technique, but the product must have a unique newness to be successful,” said the founder & creative director – Nitin Goyal London, home textiles and furnishings.

Many concede that UK is a very competitive market and the buyers are always looking for a new product, technique, material or finish to give an advantage and are looking for unique items. “My advice to any new brand is do your market research properly, identify the gap and see at which market level you would like to enter the UK market – be it more mass market or uniquely designed premium products and approach retailers accordingly,” said the Nitin Goyal representing.

### ➤ Market structure

Right now, any new brand launching would be competing against UK high street home market, which is very strong along with UK and international household design names. There is also very strong online presence, and we are not talking about independent e-commerce websites. Every known store including The Conran Shop, Habitat, Designers Guild, Selfridges, Harrods, Heal's etc., is running an equally competent online shopping business to keep the buyers interested.

Pricing and quality are two important cornerstones for any designer or brand looking to launch in London. “London could be a tricky market, hence new ventures should be open to test orders,” suggested the creative director of Handmade in Britain.

### ➤ Market channels (Types of retailers)

Most stores I have spoken to are single-company retailers. The Conran Shop, Selfridges, Designers Guild, Heal's and Habitat have outlets in the UK, Europe, Australia and Japan. Even online platforms such as Made in Design and Made have official websites in France, Italy and Denmark.

Most stores including Selfridges, Harrod's, Heal's, The Conran Shop, Made in Design, Aria etc., insist on working exclusively with designers and brands.

### ➤ Channels / method of sales

Most of the stores included in buyers guide research have equally prominent store and online presence. By online, it is not just shopping, blogs and newsletters but via other social tools such as Facebook, Instagram, Pinterest, Twitter and YouTube – they keep their customer constantly updated about store activities, including new product launches.

Most stores have been quick to realize that homewares are easier to sell internationally than fashion, as more trends translate across international borders.

Personal shoppers are at hand if customer needs help with ideas and inspirations. In fact, InSpitalfields, Do Shop, Aria and Designers Guild have interiors designers and home décor artists helping customers with shopping.

## B. Consumption

DIY and gardening are touted to be 2013's best performing retail sector according to findings by Verdict/SAS research. “DIY will see growth, the IKEA-inspired dressing up your home. The trend was last seen in WW2 after the economy was dull and carpenters were busy building homes rather than assembling furniture,” said home décor designer Munawar Ali. Shoppers will invest in small decorating projects to freshen up their homes and make minor repairs.

Another big forecast happening in the DIY sector according to Verdict/SAS research is specialists rationalising space, which is set to decline by 1.1%. As well as weaker independents being forced out of the market, DIY superstores are in the process of reducing their footprint, either by closing stores or sub-letting excess space to third party retailers. The superstores are using online not just as a sales channel, but as a means to drive footfall into stores, especially through reserve and collect facilities.

**➤ Trends**

The autumn/winter 2013 trend focuses on simpler and more refined look,

- Mood is sober, which translates in neutral solid shade card with strong bold accents in the form of piping or embroidery.
- There is room for vintage items but people are looking for more contemporary pieces that are well designed and can become future classics.
- Geometry and interplay of lines play an important part so does the texture and new functional fabrics.
- Colour-wise grey in all its shades is key as well as all deep reds, burgundy, deep blues with a mix of jade greens and metallics thrown in.
- Key is to mix the simple everlasting pieces with newer key colourful items to complete the look.

Industry experts, buyers, and independent designers and brands depend on 100% Design, “largest and longest running” contemporary design event held this year in September, between 18 and 21 at Earls Court. First staged in 1995, last year’s event hosted 25,096 visitors. The event features four key industry sections: kitchen, office, interiors, and eco design and build. Register free online: [www.100percentdesign.co.uk](http://www.100percentdesign.co.uk)

**➤ Consumption habits or preferences**

According to Verdict/SAS research, technology and convenience stand to win. Their research indicates:

- Convenience is a core factor in how we shop and with the event technology and retailers broadening their offering, consumers are zeroing in on hassle free shopping.
- Shoppers don’t want to spend much time and money on travelling to shops especially as home delivery is more convenient than ever before. Even supermarkets are offering one-hour time slots to save people ‘waiting in’ for their shopping for a long time.
- Consumers will still visit large shopping centres, but as a destination day out. Shopping centres also offer food outlets and entertainment/leisure options so there is more to do than simply go shopping.
- Smaller, local convenience stores are more important than ever. Consumers still do a large regular shop, but this is less often and they are more likely to do ‘top up’ shopping at local stores
- There are fewer reasons to visit ‘big-box’ retail parks, which is where a number of retail’s casualties since the recession have taken place. The most recent of these was Comet in November 2012.
- Online will continue to grow and with the growing popularity of m-commerce (shopping and paying for goods via a mobile phone) the channel will be more important to retail. Ensuring that transactional websites are optimised for mobile use is vital.
- Boom of tablets will also mean more access to online shopping for those previously put off as they are not familiar with computers. Tablets, with their ‘lean back’ experience are more user friendly than a PC or laptop, and they are more leisurely to use, being easy to boot up.

**➤ Competitive advantages of Peruvian products regarding its competitors.**

Peru has a great wealth of raw materials, matured techniques and design history. Peruvian advantage will be to use these to create a contemporary yet sophisticated and unique story to promote their products. While some buyers and designers had heard about Peru, others were keen to explore the possibility of working with Peru if the product design, prices and quality were right.

Some buyers and designers were already working with Peru through a set-up of representation and agents. Many buyers and retailers preferred this approach as it was easier to deal with distribution and retail. In terms of interest for home decor and furnishings, there are many in UK who are keen to explore offering brands / labels from Peru in their stores. But they are less keen to look at contract manufacturing. The type of Peruvian products are expensive and to work on contract manufacturing, one would need to set up a proper channel, review factory, look at pricing and see how to differentiate, as there is already an existing idea about Peruvian products and home decor. Some designers may be keen to work with Peruvian suppliers to create pieces for their own lines. Peruvian suppliers will have to be careful about how they plan to position themselves, as they may lose out by looking at only trying to contract manufacture. The retail end of the market is open to products, while the contract manufacturing end of the market is more price sensitive and less likely to take on a lot of suppliers. There are a handful of course who would be keen to do so.

## C. Images from stores and products - Home decoration industry United Kingdom

Note: All images are for reference, teaching and research purposes to give an understanding to PROMPERU and their clients about the type of stores and products. The images have been taken by our team, taken from websites and archives found online to be representative of the brand. Please note these are not to be used or reprinted for any other purposes.

1. Liberty, Central London and online





2. Designers Guild, Central London and online





### 3. Aria Shop, Islington and online







4. Inspitalfields: East London and online





5. Do Shop, Covent Garden and online



6. The Conran Shop, Central London and online





7. Made.com, online



8. Habitat, London and online





9. Selfridges & Co, Central London and UK, online





10. Harrods, Knightsbridge and online



11. Heal's, London & UK, online



12. Made in Design, online

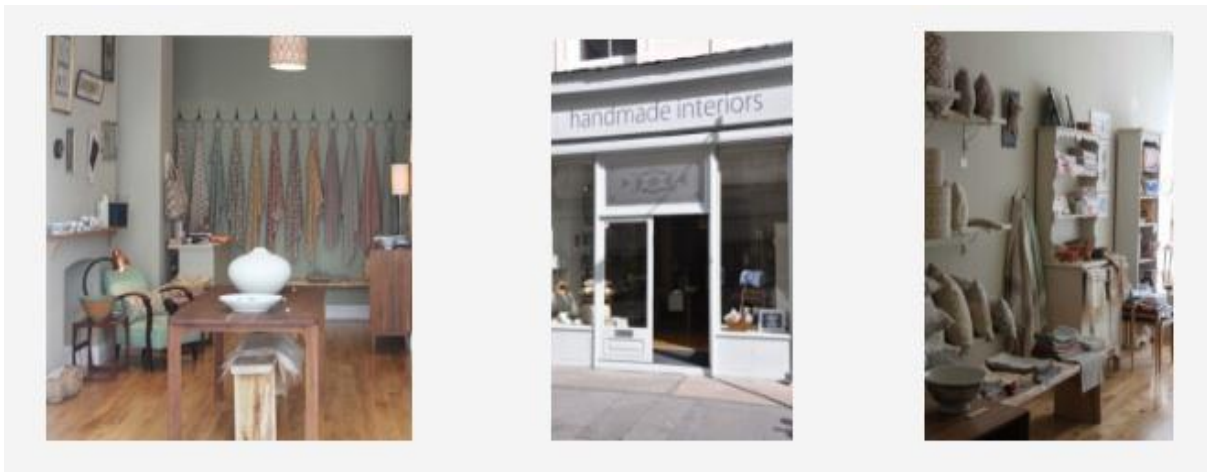




13. Achica, online



14. Handmade in Britain, central London and online



15. Fortnum & Mason, Central London and online



## D. INFORME DE PROSPECCIÓN DE FERIA

100% design®

Dates: 18 – 21 September 2013

Venue: Earls Court Exhibition Centre 2, Warwick Road, London, SW5 9TA, United Kingdom



100% design trade fair took place during the London Design Festival week, which was from 14 – 21 September 2013. *“First staged in 2003, the London Design Festival is one of the world’s most important annual design events. The Festival programme is made up of over 300 events and exhibitions staged by hundreds of partner organisations across the design spectrum and from around the world”.*

*“100% Design the largest and longest running contemporary design event for industry professionals in the UK, with 25,096 visitors in 2012 (ABC certified). First staged in 1995, the show has been run by leading independent publishing and events company Media 10 since 2012.”*

*In 2013, the show welcomed over 27,000 visitors.*

**The show is divided into four key industry sections:**

1. Interiors
2. Office
3. Kitchen & Bathrooms
4. Eco Design & Build

A new and entire section is now dedicated to International Pavilions alongside a platform for new designers within Emerging Brands. The international pavilion featured designers and exhibitors from: Argentina, Australia, France, Korea, Portugal, Shenzhen (China), Slovenia, Sudtiroi (Italy), Taipei City and Turkey

The theme for this year’s show was ‘creative balance’. 100% design focuses on showcasing and promoting design businesses who are fore runners in innovation in an environment where the value of ‘every idea’ is respected. To re in force this idea, 100% design has collaborated with Creative Barcode and have set up an IP policy ‘admire the work, acknowledge the rights’. This lets exhibitors showcase their work, safely knowing that their ideas are credited and protected.



The exhibition is accompanied by a series of talks and seminars. 100% design has sister shows – Clerkenwell Design Week in London and the New British Showcase with Vivienne Westwood at the Salone de Mobile in Milan. The year 2013, marked the 19<sup>th</sup> edition of 100% design.

Walking through the fair from one area to the next takes you into the future while still looking at basic and natural aspects of living. A fair focused primarily on industrial design, architecture, hardware for interiors and new ways of living, it also aims to answer and bring to light some key aspects as an underlying requirement for design going forward.

Through the four key areas specific concepts and ideas were experimented through the underlying theme of Creative Balance by looking at specific examples and sub themes: 3D Home Factory, Hanging Room, Farm Kitchen and Materials Atelier.



These were explored by way of specific questions and answers to provide the reader with some information and examples as well as food for thought

Interior – 3D Home Factory

Q. Where will 3D printing take us?

- A1. The playful revolution – naïve technologies and approaches
- A2. A new aesthetic – new materials equal new looks
- A3. Evolution of everyday – how ordinary products benefit
- A4. Hinting at the future – exploring new dimensions

Office – Hanging Room

Q. How can colour define space?

3 colour palettes, designed exclusively by the organisers of the Tilt's 3 Hanging Room configurations

theme pavilion evoke the following moods and complement

- A1. Stimulating & entertaining – State 1: Champagne Reception
- A2. Peaceful & engaging – State 2: Lounge & Bar
- A3. Immersive & motivating – State 3: CPD & Cinema

Kitchens and Bathrooms – Farm Kitchen

Q. What are the developments in our food resources to prepare for a sustainable future?

- A1. The organic movement
- A2. Rethinking resources
- A3. Out of the lab
- A4. Celebrating diversity
- A5. Living spaces
- A6. Health & wellbeing
- A7. Alternative sources
- A8. Future proofing



Eco Design & Build: Materials Atelier

Q. What does the future of materials hold?

- A1. The fundamentals – craft process meets raw elements
- A2. The future's light – materials with subtle tactile effects
- A3. Time for order – structure brings new aesthetics
- A4. Sensorial overload – mood enhancing colour and texture



**Observations for Peru**

Overall the fair is of very high quality. It is however focused on industrial design and product design, architecture, living spaces and materials sciences. While there are some areas where products for interior decoration and lifestyle art, the majority of exhibitors and visitors were focused on the more 'structural elements'. There is an international pavilion, but here as well, the people showcasing are mostly industrial designers and architectural people. It is a great show to see and understand the state of design in the UK and in Europe today. But for sales especially for Peruvian products, which are geared towards the interiors and gift industry, there are other more focused fairs such as **'Top Drawer' or 'Maison et Objet'** which may be of more interest for participants from Peru. A customized showroom event with focused one on one meeting may be interesting as well. An initial research on the types of fairs for interiors products from Peru would be helpful for participants and PROMPERU to decide where they should participate and in what format.