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Dining and Occasional Furniture Market UK 2008-2012

New AMA report provides a major review of the UK dining & occasional furniture market

The medium term prospects for the dining and occasional furniture market remain uncertain with current indications of a downturn in 2008-09 followed by moderate gains to 2012 when the market is expected to reach around £790 million. The main factor influencing future performance is the current uncertainty and volatility of the short-term economic climate that makes it extremely difficult to forecast in the medium term.

A brief summary of the report is included on the following page.

Priced at £650, the report is currently available from AMA Research Ltd, Telephone 01242 235724 or e-mail at sales@amaresearch.com.

Editors Note:

Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission**.

If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Andrew Hartley or Chris Moore on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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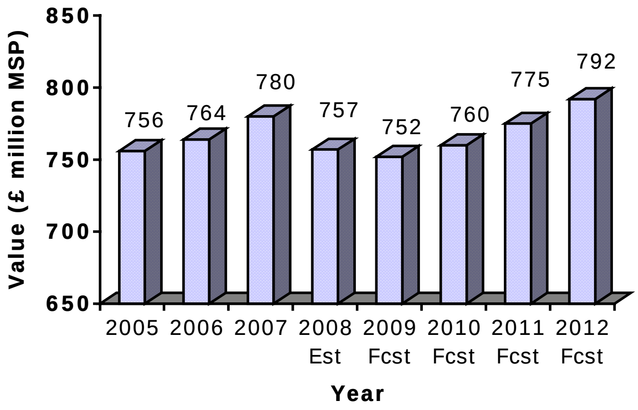
Dining and Occasional Furniture Market - UK 2008-2012



UK Dining and Occasional Furniture Market 2005-2012

Dining and occasional furniture was estimated to account for around 14% value share of the overall domestic furniture market in 2007. In value terms, dining and occasional furniture was estimated at around £780 million in 2007, representing 2% increase on the previous year.

The market declined in 2005 due to lower levels of consumer confidence, increasing price competition, a weakening economic climate and a slowdown in the housing market.

In 2007 the market experienced slight recovery, benefiting from a more buoyant economic situation, but indications are for further decline 2008-09 as a result of current uncertainty surrounding key drivers such as the housing market and consumer confidence levels.
The dining and occasional furniture market remains highly fragmented with increasing competition from imports, which are now estimated to account for in excess of 60% of the market, and new entrants into the market.

The medium term prospects for the market remain uncertain with current indications of a downturn in 2008-09 followed by moderate gains to 2012 when the market is expected to reach around £790 million. The main factor influencing future performance is the current uncertainty and volatility of the short-term economic climate that makes it extremely difficult to forecast in the medium term.

It is likely that demand will increase for smaller and more versatile dining furniture that incorporate features such as extendable sections, tables that fold down or can be stored more easily, or are equipped with a storage facility in order to maximise space usage.
In contrast to the dining furniture market, socio-economic trends and decreasing house sizes are working in favour of the occasional sector, as many eating and lifestyle habits favour more versatile, flexible and functional furniture.

Imports of dining and occasional furniture are likely to increase their rate of penetration into the UK market resulting in greater pressures for UK based manufacturers, particularly those targeting the lower market sectors.

Average prices are likely to remain under pressure particularly in the lower-medium sectors of the market as lower cost imports are likely to continue to exert downward price pressures. However, in the upper sectors of the market, although price is likely to remain a significant feature, consumers are more likely to continue to make purchase decisions based on design and quality, helping to underpin this sector of the market.

In terms of distribution channels, furniture independents are likely to continue to lose share to furniture/furnishing multiples as pressures on operating margins is likely to tighten in the medium term. A more significant change to the distribution mix is that grocery multiples are likely to extend their share following their recent manoeuvres into the dining and occasional market. In addition, the internet is also likely to gain significant share via the online trading sites of established high street channels such as furniture/furnishing multiples but also through dedicated online sites for furniture.

AMA Research's "**Dining and Occasional Furniture Market – UK 2008**" report is available in hard copy or electronic format for £650 and can be ordered online at www.amaresearch.co.uk or by calling 0871 3103450.