Press Release

The UK kitchen furniture market expected to show continued growth despite Covid-19 pandemic

The restrictions imposed by the Covid-19 pandemic resulted in a 5% decline in the UK kitchen furniture market in 2020. The market had previously grown steadily since the financial recession, although growth had slowed in 2018-19, as confidence was dented by the uncertainty caused by the Brexit situation.

The kitchen furniture market comprises furniture, worktops and sinks. Furniture currently accounts for 78% of the market in value terms, while worktops account for 14% and sinks for 8%. These shares had remained fairly static, however, the trend towards higher value products, such as granite, quartz and other materials in the worktops sector has increased its share of the market marginally in recent years.

The market is at the mature stage of its product lifecycle, with household ownership of fitted kitchens currently reaching 83% and replacement purchases accounting for around 78% of sales, a share which had increased steadily in the past, but has remained stable in recent years. Consumer awareness is high and, once an overall budget has been set, purchasing decisions tend to be based on door and drawer styles, colour and materials. Newer design features, such as curved cabinetry, soft-closing drawers or handle-less doors, open display shelving, sophisticated lighting and additional electrical appliances, such as televisions and coffee machines, are increasing in popularity.

Laura Pardoe, Product Manager at AMA Research, comments *"while the kitchen furniture market is mature, there has still been a considerable change in the market structure and practices over the past decade. Most notably from the flat pack, DIY dominance of MFI to the rigid product, trade installed systems supplied by Howden and others.*

Disruption can be seen in trade – imports surged in 2017 post the Brexit vote, dwindled in the following two years and now look set to top £100m annually, but this is still close to half what it was a decade ago. In contrast, we're starting to see growth in UK exports of kitchen furniture."

There is still fierce competition among the major kitchen furniture manufacturers, mainly to the benefit of the consumer, with most companies offering sales discounts and easy credit terms via press advertisements on a regular basis and many operating a contentious 'high-low' pricing strategy, with very high prices followed by highly discounted prices in key months.

Economic factors that can influence and drive the residential kitchen furniture market include economic growth predictions, inflation and interest rates, also levels of unemployment and changes in the cost of living. This will impact on business and consumer confidence levels and expenditure. There is currently a high level of uncertainty in the UK economy as a result of Brexit and also Covid-19. The Covid pandemic saw overall trade fall by close to 30%, and business investment 25%. The price of crude oil also fell significantly, with a decline in demand mainly due to travel restrictions.

Forecasts indicate that, although the market is expected to show continued growth in the future, several factors may inhibit growth in the next few years, including price increases for raw materials, particularly imported products, the increase in public debt levels as a result of Government support for the economy, distribution difficulties and labour shortages in the construction sector. Nevertheless, consumer confidence is improving, and a large proportion of UK households have increased their level of savings and paid down personal debt during the pandemic, with many consumer markets hoping to benefit from the latent pent up demand.

Editors Note:

The information was taken from the Residential Kitchen Furniture Market Report – UK 2021-2025 by AMA Research, which is available to purchase now at www.amaresearch.co.uk or by calling 01242 235724.

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