



# Market Report

A Snapshot of your Marketing Sector

## Furniture Retailing

This pack has been designed to provide information on setting up a business in the **Furniture Retailing** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website ([www.bgateway.com/businessplan](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **February 2025**.

## What do I need to know about the Furniture Retailing market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Despite the recent improvement in consumer confidence, the damage that the cost-of-living crisis has done to many households' finances over the past two years means cautious spending has continued in 2024. Consumer spending on furniture is expected to **fall to £20.7 billion in 2024**. The market is expected to **grow by 10% between 2024 and 2029** (Mintel, *Furniture Retailing-UK*, July 2024).
- ◆ Second-hand furniture has entered further into the mainstream, with **49% buying second-hand furniture in the past year and 45% planning to buy more in the coming year**. 78% of marketplace shoppers say an authentication guarantee on products would encourage them to shop with one second-hand online marketplace over another. (Mintel, *Furniture Retailing-UK*, July 2024).
- ◆ Consumer spending on bedroom furniture is expected to edge up to **£4,658 million in 2024**. Consumer spending is expected to grow by 1.5% in 2024 and by nearly 11% between 2024 and 2029. **Beds and mattresses remain the larger sector, representing 60% of total expenditure in 2024**. (Mintel, *Bedroom Furniture-UK*, October 2024).
- ◆ **Kitchen, dining and living furniture** is the largest segment in this industry and **accounts for 24.2% (£3.8bn) of the £15.8bn revenue in 2024**. **New homeowners** are the largest market accounting for over **60% of industry revenue**. Key shoppers in this category are between 25 and 35, often including people who purchased their first home. Consumers in this category generally seek low- to medium-priced items, emphasising functionality because of the volume of items needing to be bought and limited financial budgets. (IBISWorld, *Furniture, Lighting & Homeware Retailers in the UK*, November 2024).
- ◆ Rising penetration of 5G-enabled mobile devices, competitive prices and a convenient shopping experience drive revenue growth in the Online Household Furniture Retail industry. Over the five years through **2024-25, revenue is forecast to grow at a compound annual rate of 5.1% to reach £3.6 billion**, including growth of 3.8% in 2024-25. Demand for premium furniture remains robust in this market, while sales of upcycled and sustainable furniture are booming, helping to keep revenue moving in the right direction. Profit has also benefitted from rising high-margin premium product sales. (IBISWorld, *Online Household Furniture Retailers in the UK*, October 2024).
- ◆ Industry organisations include the [British Furniture Confederation](#), the [British Contract Furnishing Association](#), the [Furniture Industry Research Association](#), the [British Furniture Manufacturers Association](#), and the [Scottish Retail Consortium](#).



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## Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ **Mintel - Consumer Trends, Attitudes & Spending Habits for the Home - UK (February 2024).** As sustainability takes a greater precedence for consumers when it comes to spending on the home, we see sustainability coupled with thriftiness grow in the wider retail market as consumers look to purchase second-hand items or are opting to rent or swap items. In the last year, 21% of consumers consider sustainability a high priority when buying home and garden products. 55% of consumers are purchasing more sustainable home products in the last 12 months than they would have otherwise done. This can be due in part to the affordability aspect of buying second-hand, this past year eBay launched its "Better than New Homewares" hub where they can purchase their home decorating needs, second-hand.
- ◆ **Mintel – Kitchen and Kitchen Furniture - UK (September 2024).** In-store purchasing saw a notable rise in 2024, climbing from 44% in 2023 to 48%. What's more, a well-crafted showroom experience holds more sway over consumers than an attractive website when it comes to selecting a retailer for kitchen or utility room purchases. 95% of consumers have a kitchen, with the highest ownership among those residing in bungalows (97%) and detached homes (96%). Homeowners, whether owning their property outright (96%) or through a mortgage (97%), show greater prevalence of having a kitchen compared to those renting (94%), living in a family member's home (94%), or in social housing (92%).
- ◆ **Statista - Furniture market in the United Kingdom (2024).** This report presents a range of statistics and facts about furniture and home furnishings in the United Kingdom (UK). It includes information on furniture manufacturing, retail, consumer expenditure, international trade, and the UK-based furniture retailers data.

There are also a number of online resources you may find helpful:

- ◆ [The British Furniture Manufacturers' Association](#) regularly publishes insights on furniture industry performance in the United Kingdom. BFM members can access the full detailed reports but previews are provided in the news section of their website. In August 2023, they wrote about the annual UK Furniture Review, stating that "UK manufacturers still dominate the market in product categories including wooden office furniture (76%), wooden shop furniture (81%), wooden kitchen furniture (88%), mattress frames (85%) and spring mattresses (88%)".
- ◆ [Furniture Resources & Guides](#) are also available from the **British Furniture Association**. You can also access their [BFA members directory](#) and [Furniture Events](#).

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## How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#), [Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**

## What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.



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## Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

## Business to Business?

There are a range of online resources which can be used to find business, labour and employment statistics in Scotland and the UK.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.



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## How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

### Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

### Funding

[Practical information](#) on finance and funding for starting and growing your business

### Insurance

[Business insurance guide](#)

### Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

### Pricing

Business Companion [Pricing & payment guide](#).

**Please note:** the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

### Promotion

[BG guides to Marketing](#)

### Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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