Interconnection Consulting

IC SUMMARY

IC Market Tracking
Office Furniture in Europe
2022

- Western Europe
- Central & Eastern Europe

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IC Market-Tracking® Office Furniture in Europe 2022

Market Report Structure

Content of the whole report

Product Groups

Seating Segment
- Swivel Chairs
- Meeting Chairs

Lounge Segment
- Lounge Chairs
- Lounge Sofas

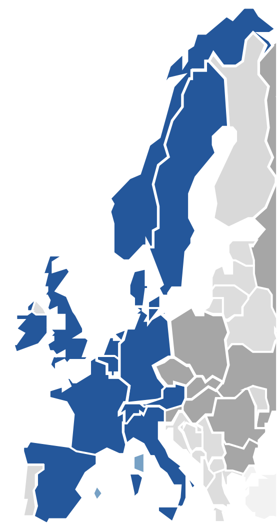
Other Segments
- Storage
- Partitioning Systems
- Conference Tables
- Desks
  - Regular
  - Sit – Stand Work Station

Swivel Chairs – Price Segment
- Premium
- Standard
- Economy

Customer Segment
- Public
- Large Enterprises
- Mid – Size, Small Enterprises
- Home Office

Distribution Channel
- Direct
- Indirect

Available Countries



Western Europe

- Belgium & Luxembourg
- Denmark
- Germany
- Finland
- France
- UK
- Italy
- Netherlands
- Norway
- Austria
- Spain
- Sweden
- Switzerland

Central & Eastern Europe:

- Poland
- Slovakia
- Slovenia
- Czech Republic
- Hungary
- Bulgari
- Romania
- Baltic

- For every market segment analysed the overall market during the previous two years and additionally make a forecast for the next 3 years.
- Turnover is stated in EURO. Turnover values are always net-turnover values (not list-prices), including rebates. Quantity in Units means number of Furniture sold. Quantity data is stated for seating segment only.

Definitions and Demarcation

Product Groups	
1 Seating Segment	The data is presented in terms of value and quantity
Swivel Chairs	Swivel Chairs
Meeting Chairs	Folding chairs for large meetings and arm or easy chairs for conference rooms
Lounge Segment	Including reception / break room area chairs and sofas
Lounge Chairs	
Lounge Sofas	
2 Other	The data is presented in terms of value
Storage	Cupboards, filing cabinets, mobile and fixed pedestals, containers, partitions and bookcases - neither hanging files nor other office material.
Conference Tables	Tables not used as permanent work place and used by multiple people (also called meeting tables).
Partitioning Systems	Panels, space divisions, desk mounted screens produced by office furniture manufacturers

Turnover is stated in Mio. EURO. Turnover values are always net-turnover values (not list-prices), including rebates.
Quantity in 1.000 Units means number of Furniture sold.

For every market segment analysed the overall market during the previous two years and additionally make a forecast for the next 3 years.

- Furniture sold to private persons through B2C channel is NOT counted. (e.g. IKEA furniture) Kitchen Furniture, School Furniture are also excluded from the study-
- Please note, office furniture sold as B2B, even from large furniture stores is still considered. E.g. IKEA B2B in Nordics.
- Manufacturers of Partitioning Systems only are not included (they are covered by a separate survey).

Definitions and Demarcation

Desks	Excluding pedestals and all types of screens (e.g. desk-up and system).
Regular	A piece of furniture with a flat table-style work surface used in the office space.
Sit – Stand Work Station	A sit/stand desk allows the user to alternate between sitting and standing by being able to lower or raise the work (desk) platform.

Swivel Chairs – Price Segment	The data is stated in terms of value.
Premium	500,- € +
Standard	200 - 499,- €
Economy	less than 200,- €

Distribution	The data is stated in terms of value.
Direct	Selling refers to selling products directly to the consumer in a non-retail environment, also to selling through own branches / sales representatives (it concerns only sales through B2B). Online sales are also included.
Indirect	Sales through all other intermediaries (specialized dealers, wholesalers, other retailers, internet – shops)

For every market segment analysed the overall market during the previous two years and additionally make a forecast for the next 3 years.

Definitions and Demarcation

Customer Segment	The data is stated in terms of value.
Public	Organizations and institutions that are run by government, e.g. tax offices, treasury offices, labor offices local regulation and administration offices etc. Public sector also includes voluntary sector, e.g. charities and other nonprofit organizations. The segment excludes schools, universities, hospitals.
Large Enterprises	250 employees or more
Mid - Size ,Small Enterprises	Less than 249 employees.
Home Office	Office Furniture purchase for home offices / remote work.

Are you Interested in Global Data?

IC Market Tracking - Office Furniture Europe 2022

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The Unique Mix of Methods and Approaches for Reliable Market Analysis

Interconnection Consulting

SELL-IN

The analysis measures Sell-In data. Sales from the manufacturer to the first distribution partner. OEMs are not taken into account.

Survey with Manufacturers & Experts

Basis of the analysis are surveys - electronic questionnaires and telephone interviews - with the most important manufacturers as well as interviews with industry experts.

Market Calculation Model

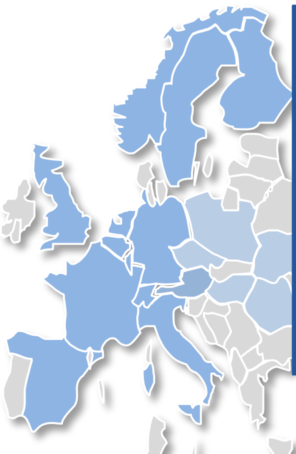
Industry relevant market drivers are taken into account in a market calculation model to determine the total market volume and forecasts.

The strong focus on interviews within the industry is clearly our USP

"Only who talks with the industry knows what's going on!"

Europe - Market at a Glance

Interconnection Consulting



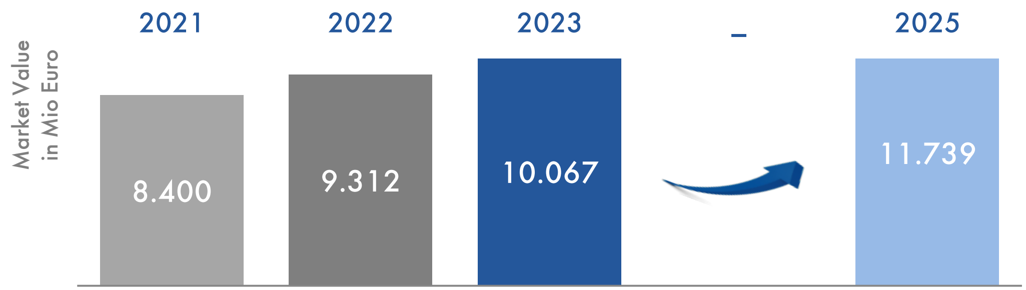
15,928M

Sold in Europe
in 2021

Units

(Seating Segment Only)

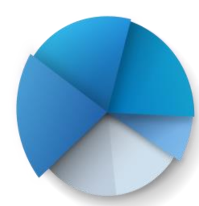
Europe– Total Market Development*



After the European office furniture market collapsed by 19.1% in 2020 due to the outbreak of the Covid-19 pandemic and the related measures and companies' concerns, 2021 brought a significant recovery of the market. The market mainly benefited from postponed purchase decisions when planned orders from 2020 were realized in 2021, as well as from some trend changes. While 2020 started with a focus on products with antibacterial surfaces, in 2021 this trend waned. However, the demand for ergonomic solutions continued to grow, particularly for ergonomic chairs and sit & stand tables, which grew at the expense of regular desks and also found their place within the home office.

25.9%

Swivel Chairs is the biggest product group in terms of value in 2021.

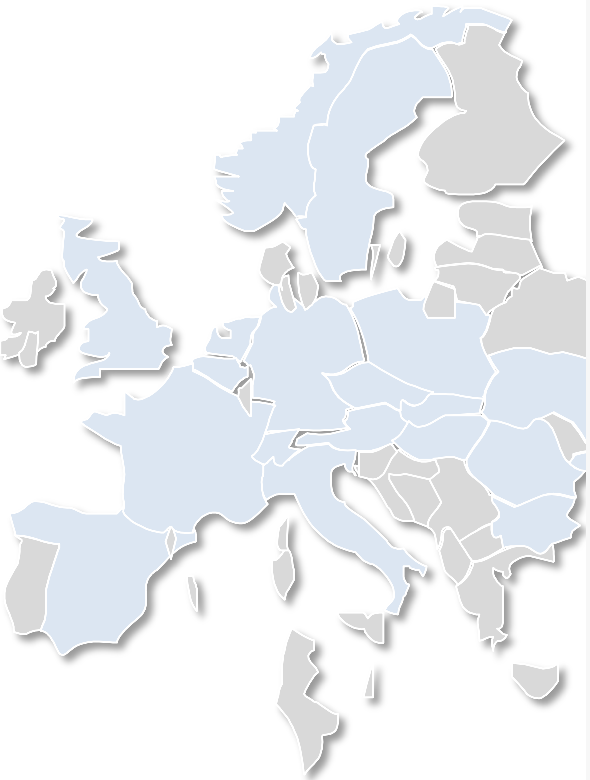


59.5%

Total value sales through Indirect Distribution Channel in 2021.

* The total market in terms of value includes all product groups considered in the report, while the total market in terms of volume covers only the seating segment.

Europe - Market at a Glance



Another major trend in the European market has been office remodeling, with companies starting to adapt to the hybrid working model that has become the new norm in many countries. More attention has been paid to the lounge area and meeting rooms. The demand for lounge sofas and chairs as well as meeting chairs grew. The aim of the companies was to increase office comfort and make it cozier and more attractive for employees and support mutual communication and interaction.

Although 2021 was a year of market recovery, some manufacturers still felt the increased price sensitivity of their customers. However, this depended heavily on the customer base as many did not notice this phenomenon and instead registered an increased interest in ergonomic and eco-friendly solutions where the price was not the first priority.

Anyway, most manufacturers have been forced to increase the prices of their products significantly over the past year as raw material and energy prices soared. Those who did not or only partially compensate for the increase in costs in 2021 already increased their prices in early 2022. Since this year we have also experienced an unprecedented increase in inflation, ongoing problems in the supply chains, and limited availability of many commodities and materials, we assume that the prices for office furniture will continue to rise sharply this year. This will also contribute to the full recovery of the market, which will exceed EUR 9.3 billion this year.

Market Development in Western and Eastern Europe

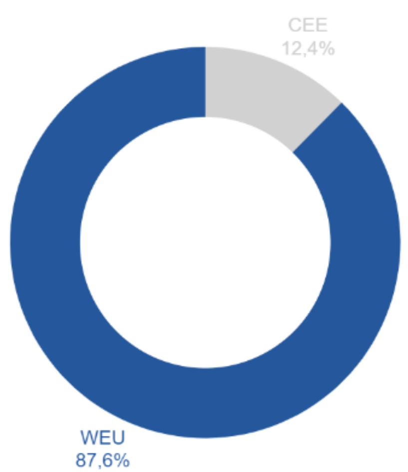
Western Europe

The shortage of raw materials and the consequent price increase, the lack of skilled workers and rising energy prices are currently having a negative impact on the development of the office furniture market in Western Europe and are slowing down its recovery. In addition, many manufacturers perceived the home office trend negatively as another factor hampering the sales development in 2020. Nevertheless, the Office Furniture market in Western Europe grew by 13.2% in 2021, also due to the many postponed orders that were realized that year, reaching a total market value of 7.4 billion euros. On one hand, manufacturers currently expect that there will be fewer companies in the market returning to the traditional working model, but on the other hand, the growth of smart solutions should support the growth of the market. Office space remodeling will also have a positive impact as companies seek to create a more attractive and comfortable environment for their employees and convince them to work on-site. Positive development can be currently observed in the segments of sit & stand desks , lounge sofas and collaborative workplaces. Our research has also shown that, according to most manufacturers, consumers in Western Europe tend to be less price-sensitive than other regions, paying more attention to eco-friendly materials and sustainability, and ergonomics. Product availability and the long delivery time remain an important challenge in Western Europe.

Eastern Europe

The office furniture market in Central and Eastern Europe was severely impacted by covid-19 and the consequent economic crisis in 2020, causing a market drop of 15.7 percentage points, resulting in a total market volume of 920.1 million euros. The recovery is expected to be strong in 2021 and 2022 (+13.0% and +12.3% respectively), mainly driven by a trend towards more premium solutions, the re-furnishment of office spaces and the rise of the home office segment (although smaller than in Western European countries. On the other hand, this strong increase in Value is partially caused by the raising prices for office furniture items: shortage of raw materials and the consequent price increase, the lack of skilled workers, rising energy prices and logistics problems are the main causes. This leads to a more positive development of the market in terms of Value, than in terms of quantity sold. After an initial strong increase, the market is expected to grow at a more modest but constant rate, reaching the market value of 1.5 billion by 2025.

Market Share of the Regions in 2021 (in terms of Value)



Western Europe - Market at a Glance

Total Market	2022e	2021
Total Value Sales in 1.000 EUR	8,143,961	7,360,004
Total Quantity sales in 1.000 units - Seating Segment	11,416	10,997

Product Groups	2022e	2021
in 1.000 EUR		
Storage	1,339,445	1,245,945
Desks	1,823,502	1,657,161
Sit – Stand Desk	237,779	215,720
Meeting Tables	702,954	636,790
Partitions	426,343	391,814
Swivel Chairs	2,094,396	1,847,379
Meetings Chairs	957,362	854,913
Lounge Chairs	411,870	374,999
Lounge Sofas	150,310	135,281

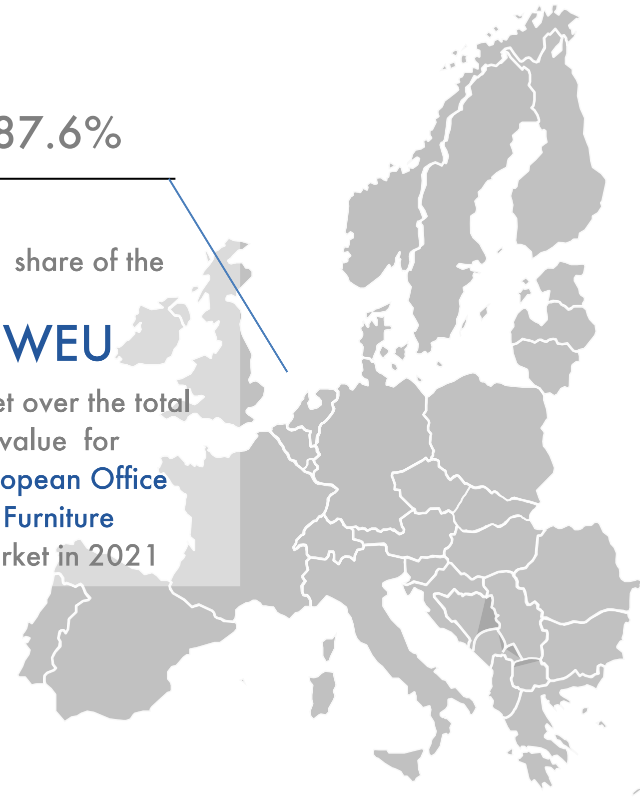
Seating Segment	2022e	2021
in 1.000 units		
Swivel Chairs	6,196	5,919
Meetings Chairs	4,060	3,936
Lounge Chairs	926	915
Lounge Sofas	233	227

87.6%

The share of the

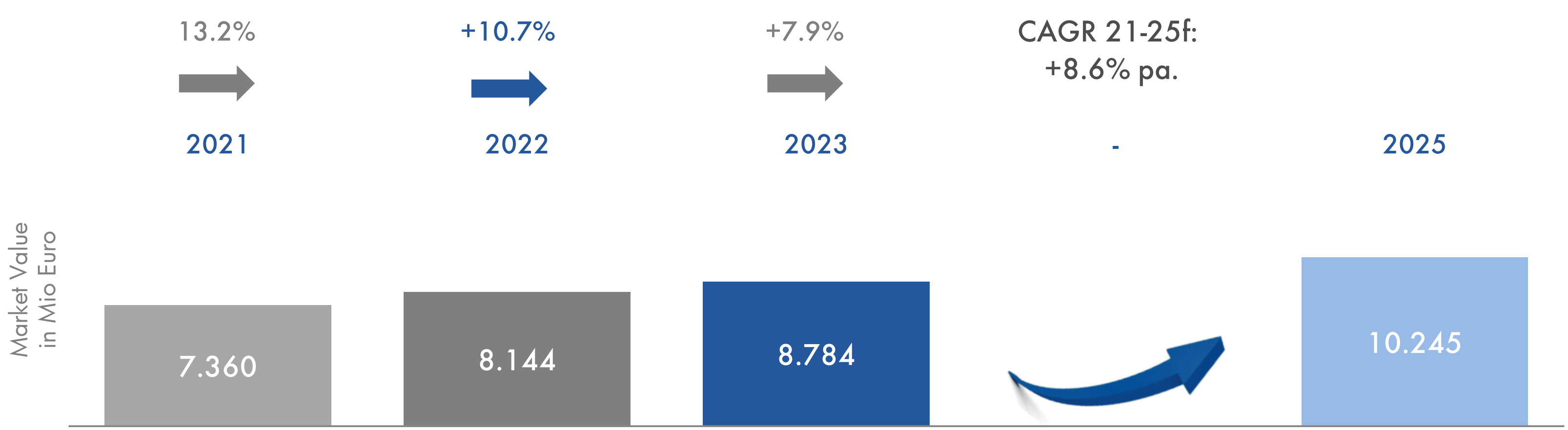
WEU

market over the total value for **European Office Furniture** Market in 2021



Western Europe - Market Development

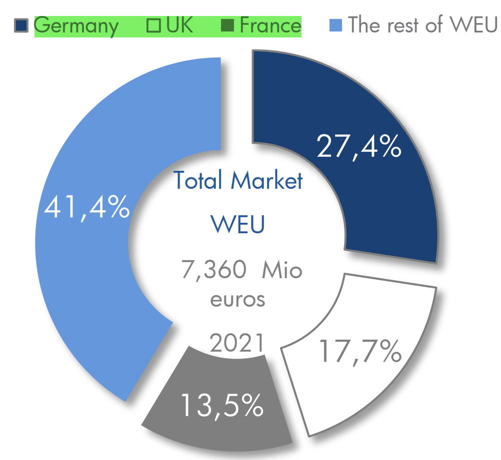
WEU– Market Development *(Total Value Sales in th euros)*



The office furniture market saw a significant recovery in 2021, largely due to the growth of the office furniture market in the United Kingdom, Denmark and France, where the market value grew by 26.5%, 18.3% and 16.0% in 2021.

Overall, the Office Furniture market in Western Europe grew by 13.2% in 2021, also due to the many postponed orders that were realized that year, reaching a total market value of 7.4 billion euros

In 2022, we expect an increase in the office furniture market in the region of Western Europe, with sales expected to increase by 10.7% to EUR 8,144 million.

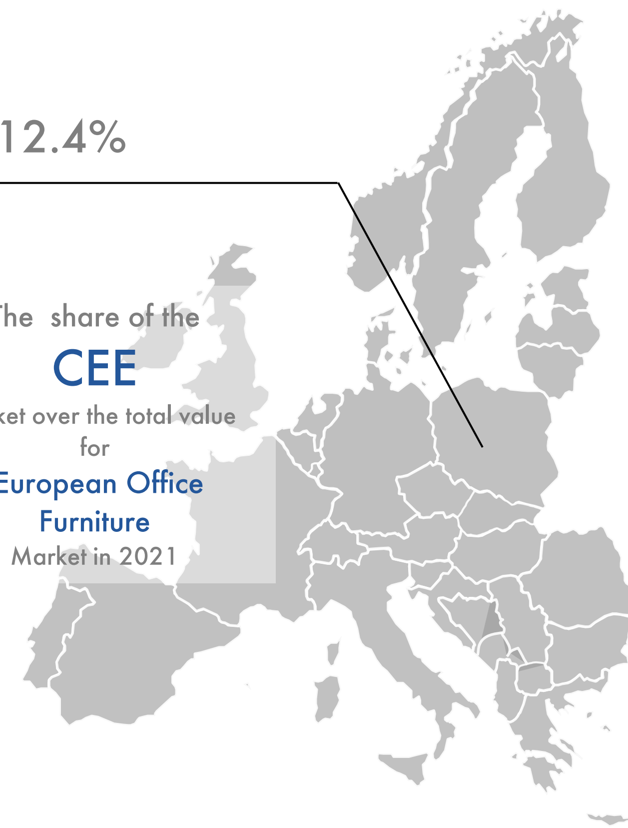


CEE Region - Market at a Glance

Total Market	2022e	2021
Total Value Sales in 1.000 EUR	1,167,839	1,040,101
Total Quantity sales in 1.000 units - Seating Segment	5,178	4,930

Product Groups *in 1.000 EUR*	2022e	2021
Storage	187,352	176,372
Desks	232,805	207,657
Sit – Stand Desk	17,688	15,492
Meeting Tables	83,758	76,565
Partitions	64,034	55,871
Swivel Chairs	377,154	326,519
Meetings Chairs	131,309	116,662
Lounge Chairs	54,386	47,956
Lounge Sofas	19,353	17,007

Seating Segment *in 1.000 units*	2022e	2021
Swivel Chairs	2,876	2,688
Meetings Chairs	1,955	1,909
Lounge Chairs	281	270
Lounge Sofas	66	63



12.4%

The share of the

CEE

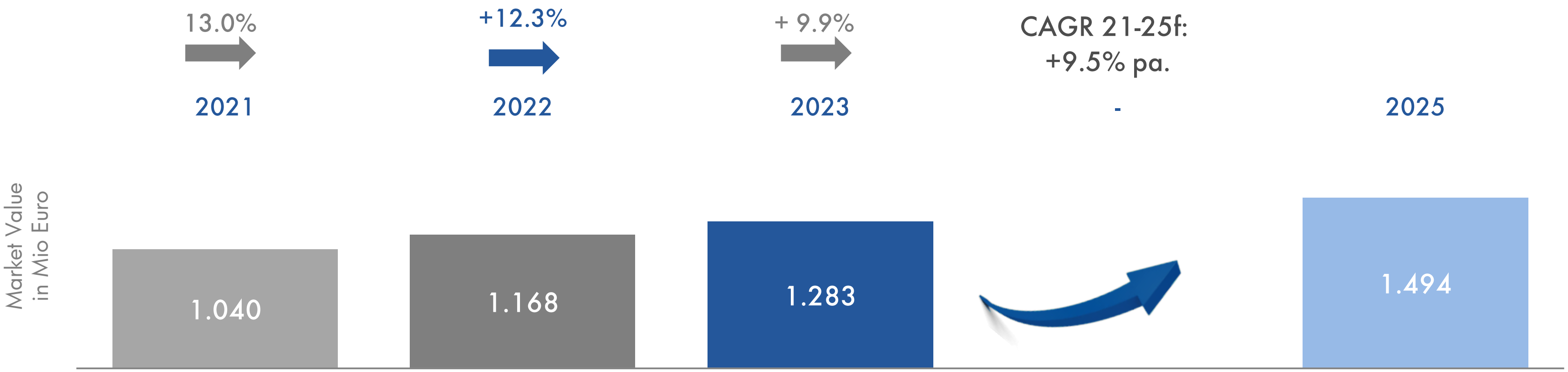
market over the total value for

European Office Furniture

Market in 2021

CEE Region - Market Development

CEE– Market Development *(Total Value Sales in th euros)*



The market for office furniture in the Central and Eastern European region recorded a positive development, but compared to the period before the pandemic, it has not yet fully recovered.

The largest markets in the CEE region are Poland, the Baltic countries and the Czech Republic, which accounted for almost half of the office furniture market in 2021. However, the strongest growth in 2021 was recorded in Slovakia with growth at the level of 17.7%, the Czech Republic at 16.8% and Slovenia at 15.0%.

After strong market growth in 2021 at the level of 13.0%, it is expected that the market will record a double-digit growth rate this year as well. By the end of 2025, the market will grow by an average of 9.5% and reach the value of 1.5 Mio. Eur.

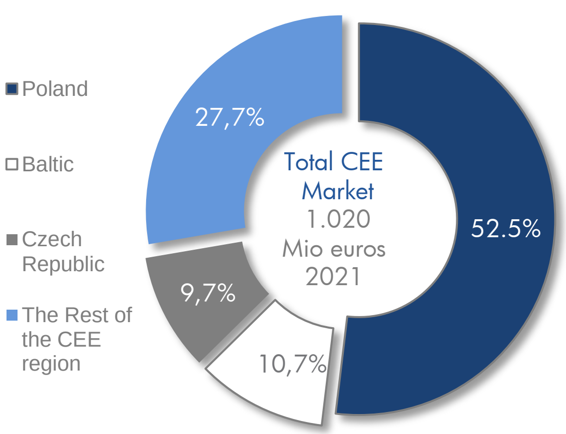
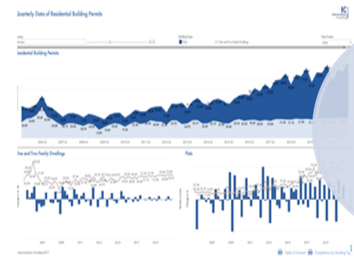


Tableau -The Data Analysis & Visualisation Tool

Content of the whole report

Complex correlations

- **Complex correlations** are visualized in the form of geo-, tree maps, bars etc.



Market data on country level

Interactive Dashboards

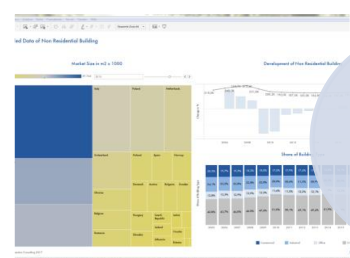
Updates annually

- Use **interactive dashboards** for quick implementation of the data, for potential estimations, for sales control, for success measurement etc.

2019-2025f

Easy online accesability

- Market data are available whereever you have internet access



Market Shares

Our Market-Intelligence Tools

Market-Intelligence Tools

Market Analysis
Market Volume and Trends
Competition Analysis

Customer Insights
Focus Groups
Buying Motives
Customer Benefits

Price Simulation
Price Sales Function
Pricing Simulation Tool
Optimum Pricing

Management Information System
Business Intelligence Tools
Dashboards

Market Entry
New Markets/Segments
Scoring-Model

Distribution Analysis
Channel Maps
Distribution-Matrix
Margins

Brand Insight
Brand Awareness
Brand Scorecards
Brand Affinity

Price Types
Customer Segmentation
Price Awareness
Buying Behavior

Mystery Shopping Price Tracking
Price Databases
Sales Evaluation

Customer Experience
Relevance / Satisfaction
Customer Loyalty
Net Promoter Score

If there are any questions please
do not hesitate to contact us!

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