# Curtains & Cushion Covers Market Opportunities in EU



The European market for ready-made curtains and cushion covers is stabilising, with most imports originating from developing countries. The middle and high-end market segments have the most potential. To supply these segments, you need to focus on value-adding techniques and designs, as well as adding a story to your products. Working with sustainable materials and co-creation can give you a competitive edge. Refraining from using child labour is key.

# Product Description

Ready-made curtains are curtains of a standard size and specification. They can be divided into: drapes; curtains; and blinds. Drapes are full-length, from floor to ceiling, although some models are made to fit window sizes. They are usually made of heavier fabrics, such as velvet, satin, opaque and jacquard. They are often lined, and are fixed to rods with pleated heading types (box, pencil, pinch). Curtains come in various lengths and widths, often fitted to the window size. They are made of lighter fabrics, such as silk, cotton or linen. Curtains are often unlined and sometimes (semi) transparent (sheer and voile curtains), but can also be lined. They are fixed to rods with various heading types: rings, grommets (eyelet), pockets (tape), loops (usually of the same material as the curtain) and tabs.Blinds can be made of various materials.There are three main types of blinds. Roman blinds are vertical flat blinds, drawing up from the bottom in a series of soft folds. Venetian blinds have horizontal slats, one above another. Swiss blinds are vertical blinds drawing up from the bottom, with horizontal patch tunnels for the rods at the rear.

Cushion covers function primarily as decoration, providing an inexpensive way to express personal and individualistic style. They can be used both in the living room and as decoration in the bedroom. At the same time, they are used as protection for cushions, since the cushions themselves are not frequently washed or replaced.





# Material & Design

Ready-made curtains-The quality of the material is important. Because sunlight and washing can damage curtains and fade colours, light and washing fastness are key. Common natural materials for ready-made curtains include cotton, silk and linen. Curtains are often sold in pairs. 300 cm (height) x 145 cm (width) is a standard size, but this can vary. For example, most sheer curtains are 250x110 cm. The consumer can also adjust lengths. Standard sizes for blinds in Europe are: width: 60/80/ 100/120/140/160/180/200 cm (Roman), 80/100 cm (Venetian); length: 180/195/250 cm (Roman), 130/155/160 cm (Venetian). Standard sizes for drapes in Europe vary roughly between 115/ 140/180/225 cm (width) and 140/170/180/230/300 cm (length). Ask your European buyer what specific sizes they may be looking for in the early stages of collaboration. The finishing of products is of the utmost importance. The finish on the upper borders is one of the most distinguishing design aspects of ready-made curtains. Common types of upper border finishing are loops (to be used with a rod) or clips or hooks (to be used on a rail). Other types include grommets, rings, rod pockets and hidden back tab panels. In addition, there are various common types of pleating for curtains: pinch, pencil and box pleats.

Cushion covers-Cushion covers serve primarily as decoration for the sofa, couch and bed. They are available in a wide variety of fabrics. Natural fibre cushion covers consist of cotton, linen, wool, silk, jute and leather. Sizes of cushion covers vary, matching the sizes of the cushions. The most common sizes on the European market are: 40 x 40 cm; 40 x 65 cm; 45 x 45 cm; 50 x 30 cm; 50 x 50 cm; and 65 x 65 cm. Other sizes are also available, depending on the target country. Ask your European buyer which specific sizes they may be looking for in the early stages of collaboration. Cushion covers come in a variety of designs, depending on their origin and the targeted market segment. Various cushion shapes are available in Europe, including round, heart shaped and cylindrical bolster cushions.

# Labelling & Packaging

External packaging labels for ready-made curtains and curtains should include: producer, consignee, composition, size, number of pieces, box identification, total number of boxes, and net and gross weight. The most important information on the product or packing labels of ready-made curtains is: composition, size, origin and care labelling. You should pack according to the importer's instructions. Packaging usually consists of plastic wrapping to protect the fabric from water, solar radiation and staining. It should be easily manageable in terms of size and weight and ideally fit together on European pallets. If in doubt, check the dimensions with your buyer.

Ready-made curtains- Ready-made curtains are usually displayed hanging, but often sold in packaged sets of 2 or 4. Consumer packaging can be simple in design, but must be functional: it needs to protect against water and staining.



Cushion covers- Theyare usually displayed in stores without any packaging. However, especially in the high-end segment they come with gift wrap. For the middle and low-end segments, consumer packaging can be simple in design, like simple paper or plastic wrapping.

# Market Opportunities

European imports of natural fibre curtains are stabilising. More than half of these imports come from developing countries. Europe's main importers of natural fibre curtains and furnishings are the United Kingdom, France & Germany; and Germany & Spain respectively. The strong performance of products from developing countries makes the United Kingdom and Germany especially interesting target markets. European demand for woven curtains is highest in the United Kingdom, followed by Germany. European demand is considerably higher than its production. This drives the need for imports, making Europe an interesting market for curtains and furnishings.

Developing countries are Europe's main source of natural fibre curtain and cushion cover imports. They supply 53%. This share is predicted to stay stable in the coming years.In reality, many of the natural fibre curtain and cushion cover exports from Western European countries are reexports of products manufactured in developing countries. The United Kingdom is Europe's leading importer of these products. France and Germany follow. These countries are also leading when it comes to imports from developing countries especially the United Kingdom and Germany, which source 91% and 68% of their respective natural fibre curtain and cushion cover imports from developing countries.Imports from developing countries also fluctuated between 2012 and 2016, but less strongly than those from within Europe. China and India are Europe's main suppliers of these products, with 20% and 15%. respectively in 2016. Other leading developing country suppliers are Pakistan (7.1%), Turkey (3.7%), Indonesia (2.6%) and Bangladesh (2.0%).

#### Tips:

Study your options in the United Kingdom, France and Germany. Their strong imports of products from developing countries make the United Kingdom and Germany especially interesting markets.

The upcoming Brexit (Great Britain leaving the European Union) has decreased the value of the British Pound. As a result more British buyers have started importing directly from developing countries, rather than buying from European importers. However as the situation is still fluid and insecure, you should keep a close watch on the developments.



Compare your products and company to the strong competition from China and India, as well as Pakistan, Turkey, Indonesia and Bangladesh.You can use ITC Trademap to find exporters per country. You can compare on market segment, price, quality and target countries.

Private consumption expenditure is an important indicator for the European home decoration market. The sector is closely linked to economic conditions. When money is tight, consumers postpone buying non-essential items until they have enough disposable income. Between 2017 and 2019, European private consumption expenditure is expected to increase. This means that consumption of decorative products is likely to rise. Especially in emerging markets, consumers will have more money available to spend on decorating the home. Consumers in mature markets already spend a fair amount of money on decoration, so growth in their consumption will be moderate. in the story behind the product, which adds to its uniqueness. Kilim cushion covers are a successful example of the influence of tradition. Handwoven and made of wool, these Turkish cushion covers are a unique product with a story.

#### Tips:

Promote your culture's traditional production methods and design, adding a background story to your product. Make sure that this comes across clearly to the consumer, for example by including a card describing the product's unique story. Study your possibilities to develop high-tech concepts and/or combine them with your craftsmanship. Consider experimenting with your traditional designs and reinventing them in a more contemporary manner.

#### Co-creation

European buyers are increasingly trying to distinguish themselves from their competitors. To do so, they focus on their own image and design. They look for producers they can cooperate with to develop their own products, so-called 'cocreation'. This makes it extra important to showcase your special skills, production techniques and the variety of raw materials you work with. Co-creation can also help you meet the demand for high-tech concepts through joint product development.

#### Tips:

Make sure your collection showcases the different materials and production techniques you have to offer. Emphasise the story behind your product in your promotion strategy. Consider a co-creation strategy to develop innovative products. Consider working together with producers of complementary home textile products to create a more coherent collection. If the type of fabric you use allows for it, consider developing a range of cushion covers to match your curtains.

# Trends that offer Opportunities

#### Innovation and tradition

In curtains, there is a growing demand for high-tech concepts, like those that block sunlight or remote controlled curtains. At the same time, traditional craftsmanship is increasingly appreciated on the curtain market. The traditional production methods and designs of your culture give your curtains a 'story'. Technocraft, a combination of technology and craftsmanship, is also a future winner.

In cushion covers, ethnic motifs and traditional craftsmanship are popular (longterm) trends on the European market for cushion covers. Consumers are interested



#### Back to nature

The feeling of wanting to escape to nature, combined with a lack of time in busy city life, inspires designers to merge outdoor imagery with indoor decoration. In cushion covers, flowers or leaf patterns, green colours and print combinations that relate to natural habitats are becoming increasingly popular. Using natural fibres is a good fit with this trend. Organic cotton adds value to your product. Alternative natural materials like bamboo, ramie, flax, banana fibre, palm leaf fibre or cane hemp may also offer you interesting opportunities. Light from outside also brings nature into the home, making the choice of material extra important. Curtains need to protect people's privacy, but at the same time let enough light into the room.

#### Tips:

Ready-made curtains : Use organic cotton or cotton with another certification to add more value to your product. Consider alternative natural materials to make your products stand out. Make sure that buyers are aware of the materials you use.

Cushion covers : Offer cushion covers with a natural look by using natural colours and patterns that resemble nature. Consider using elegant materials and designs, especially when you target the high and middle-high end of the market.

#### Sustainability

Consumers and designers are shifting their preferences towards more sustainable choices, especially in the mid-high market segment. There is an increasing concern and awareness of the negative impacts of production and consumption. This is driving the popularity of sustainability labels and commitments in the textile industry. Using natural materials or recycled fibres as your main raw material is a good way to benefit from this trend. For cushion covers, this can include sustainable raw materials like organic cotton, wool and silk, as well as relatively "new" fibres like bamboo and hemp.

#### Tips:

Promote the sustainable aspects of your curtains as a premium. Consider sourcing sustainably produced fabrics for your cushion covers, especially when you target the higher segments.

#### Smaller quantities and shorter lead times

European buyers change their collection at an increasing pace. As a result, they are looking for shorter lead times and smaller minimum orders. This is a distinct advantage for small to mediumsized producers like you, since you are more flexible and can generally supply smaller quantities than bigger producers.

#### Tips:

If you are flexible in production and can supply smaller quantities, emphasise this in your promotion.

#### Range and concept development

More and more buyers (especially in the middle-high segment) are selling concepts to their clients, rather than single products. They do this for marketing and positioning purposes and to push their sales. To benefit from this trend, cushion covers can be sold as part of a wider range of similar products, including different materials and techniques. Combinations with bedspreads and throws are also a possibility.

#### Tips:

Consider developing a small range of cushion covers with a similar look and style using different techniques and materials.

#### **Global Trends**

European consumers are in search of identity. To meet this need, you can add a local touch or story to your product. Their demand for sustainable and socially responsible products is also increasing. To benefit from this trend, promote your products' sustainable materials and socially responsible production processes. Chinese exporters shifting focus to their domestic market create space on the European market for you to fill. For volume players, Poland and the Czech Republic are interesting new target markets with impressive imports.

Baby boomers (born between 1946 and 1964) are now officially entering their





senior stage of life. At the same time, millennials (born between 1980 and 1999) are entering their prime spending years. These groups are sparking new discussions about demographics and consumerism. The increased healthy life expectancy in European countries drives the creation of an additional life stage: the "young old." These modern seniors no longer fit the stereotype of being worn out, sick and inactive. Instead, they are in relatively good health, often still working. As the wealthiest generation, they are also the generation that spends the most, not just on age-specific things. This factor makes them a new key segment in marketing.

Millennials, however, are more price-sensitive; especially the youngest millennials, who are at the start of their careers. Older millennials are reaching a phase where they have more disposable income. After having postponed moving out and/or buying a house, they are now becoming an interesting marketing segment for the home sector. They are predominantly online buyers, want ondemand shopping, and value authenticity and sustainability.

Of the 30 largest economies in 2050, 19 are currently considered emerging markets. These markets will drive global growth and other trends such as business innovation. The population of emerging markets such as China and India is growing. At the same time, the population of developed economies is ageing and shrinking. This situation means that the emerging economies will become even more politically and economically important. Not only will there be more people, they will also be moving to urban areas. Each year, 200 million people are expected to move and become urban residents.

#### **Consumer Trends**

Personalisation options in design- Companies have spotted this trend and are responding to it. Designs that can be adapted to individual needs and preferences are growing in importance. Consumers can personalise and customise products based on their own ideas and wishes. Owning and creating such personalised products is a new status symbol and makes consumers feel unique.

Emotional connection by storytelling - Companies create an emotional connection with their customers by telling the story behind a product. Consumers emotionally connect to the characters or "action" of the story. Millennial consumers especially respond to story-based marketing rather than straightforward advertisements. When combined with powerful imagery, storytelling engages an audience. Stories in our sector are about making (techniques, materials), makers (human interest, Corporate Social Responsibility) and meaning (cultural significance, performance).

Consumers are travelling further away than ever, which influences the storytelling trend. Consumers bring home new



stories from far-away cultures, showing their broad-mindedness and exciting lifestyle. The internet has also made them more open to inspiring stories from the other side of the world. As a result, Asian and African styles are influencing existing European styles. This trend opens up the consumer's mind to stories with an ethnic flavour, leading to new appreciation of ethnic patterns, styles and imagery restyled into current looks.

#### Market Trends

New luxury products- The "new luxury" is all about having unique experiences, gaining new skills, being eco-friendly and showing generosity or connectivity. Consumers gain status and pleasure from mastering cooking skills, redecorating or enjoying a spa at home. They want products that add to their knowledge and sense of identity; products that give meaning and significance to their experiences.

Wellness and well-being - Physical and mental well-being is an important driver for European consumers. They enjoy beautiful, well-made products. They want to feel secure in their home, away from the pressures of society and work. Comfortable textiles or well-designed home accessories pamper both body and soul, as does feeling close to nature, even in a cramped urban apartment; for instance, by using furniture with a functional, natural and pure design or organic bedding.

Live in style - Western European consumers live in a market with a lot of options for decorating the home. They are used to spending considerably on home decoration. As mature market consumers, they express their identity through home goods and their interior as a whole. Part of this trend is an awareness and appreciation of the product's core values: design, materials and techniques.

# Requirements to comply with for both sectors

For home textile products, legal requirements focus mainly on consumer health and safety. Products should function well

and risks should be minimised; for example, by avoiding hazardous chemicals. There is an interesting niche market for certified sustainable and Fairtrade home products. The European Union has several laws applying to home textile products. Several of these directives and regulations may apply to a single product.

# Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)

The so-called REACH Regulation restricts the use of chemicals in products that are marketed in Europe. Which chemicals are relevant for you depends on your specific products and materials. For example, REACH restricts use of: Several azo dyes used particularly for textile products; Flame retardants, including TRIS, TEPA and PBB.

**Tips:** The European Chemical Agency (ECHA) provides useful information and tips on REACH. Follow new developments in the field of flame retardants, as new alternatives are being developed. You can do so, for

instance, through the European Flame Retardants Association (EFRA).

#### **Textile Regulation**

EU's Textile Regulation states that textile products should be labelled or marked to indicate their fibre composition. These labels should be durable and tear-resistant, securely attached, easily legible, visible and accessible. The main purpose of this regulation is to ensure that consumers know exactly what they are buying when purchasing textile products.

#### Packaging

The European Union's Directive on Packaging and Packaging Waste aims to prevent or reduce a negative impact on the environment. For example, it sets recovery and recycling targets, and restricts the use of certain heavy metals. This fact means that packaging design must incorporate these aims while also considering the marketing aims of attractive packaging, as well as of course protecting the product. There are also requirements for wood packaging materials (WPM) used for transport. These requirements apply to, for example, packing cases, boxes, crates, drums, pallets, box pallets and dunnage.

# Additional Requirements

#### Sustainability

Social and environmental sustainability are increasingly important on the European market. Think of sustainable raw materials and production processes. European buyers increasingly demand compliance with the following schemes: The Business



Social Compliance Initiative (BSCI) is an initiative of European retailers, aiming to improve social conditions in sourcing countries. Buyers expect their suppliers to comply with the BSCI Code of Conduct. To prove compliance, the importer can request an audit of your production process. Once your company is audited, it is included in a database for all BSCI participants. The Ethical Trading Initiative (ETI) is an alliance of companies, trade unions and voluntary organisations. It aims to improve the working lives of people across the globe that make or grow consumer goods. You can use standards such as ISO 14001 and SA 8000 or read up on sustainable options. However, only niche market buyers demand compliance.

**Tips:** Optimise your sustainability performance. Reading up on the issues included in the initiatives will give you an idea of what to focus on. Buyers appreciate a good story. If you can show that you have considered your company's performance, this fact may yield a competitive advantage. You can do so with a selfassessment such as the BSCI Self-Assessment for Producers, or a code of conduct such as the BSCI Code of Conduct or the ETI base code.

#### Requirements for niche markets

#### Fair Trade

The concept of fair trade supports fair pricing and improved social conditions for producers and their communities. Especially when the production of your cushion covers is labour-intensive, for example hand-knitting, fair-trade certification can give you a competitive advantage. Common fair-trade certifications are from: World Fair Trade Organisation (WFTO); Fairtrade International; and Fair For Life. **Tips**:Ask buyers what they are looking for. Especially in the fair-trade sector, you can use the story behind your product for marketing purposes. Check the ITC Standards map database for more information on voluntary standards and their requirements, including fair production.

#### Sustainable textile certification

Across the home sector, sustainability is gaining ground. Although the actual use of certification is still not widespread in home textiles, there is an increasing interest from buyers. The Global Organic Textile Standard (GOTS) ensures environmental and social responsibility throughout the production chain. To qualify, textile products must contain over 70% organic fibres. OEKO-TEX Standard 100 certification guarantees no hazardous chemicals were used in production. The EU Ecolabel for textiles focus on minimising environmental impact at the manufacturing stage.

#### Woolmark

Woolmark certification provides consumers with guaranteed wool fibre content and an assurance of quality. It contains specific

standards for several product groups, including furnishing fabrics.

**Tips**: If you supply woollen products, study how to become a Woolmark licensee and consult the Woolmark specifications for furnishing fabrics.

# **Competition & Threat**

The barriers to entering the European home decoration market are considerable, due to the strict buyer requirements. The threat of substitution is highest in the lower market segments, where suppliers segments have to keep up with trends and offer quality at a competitive price. Higher market segments demand added value, strengthening your position as a seller. Authenticity and sustainability are key. Developments in emerging markets create both threats and opportunities. Environmental



and social sustainability are important issues on the European market.

An ongoing development is that European consumers are expecting more for less. Although sustainable niche markets may be prepared to pay a premium, the general market wants more service, quality, design and speed of delivery, at a low price. Buyers may respond to these demands by switching suppliers. This situation places pressure on suppliers to increase their performance and offer competitive prices.

**Tips**:Increase your service levels to attract new buyers and prevent losing current buyers who are pressured to respond to consumer demand.Provide your buyer with sufficient information on the added value that your product offers. This information enables them to communicate the benefits to European consumers better.

There is a considerable threat of substitution for home decoration products; especially in the middle and low market segments, where trends are of great influence. Availability is also a key factor. Apart from product features, marketing skills also determine which product "wins" on the market. Those who are unable to keep up with increasingly rapid buying and selling

> cycles on the market will find their products replaced by those who can. Time-to-market has shortened, especially with the entry of fashion brands such as Zara Home. Especially in the lower ends of the market, loyalty is limited and depends on exporters supplying rapidly and in short runs.

> **Tips**:Be the best in your material or technique. Add convenience to your products, such as functionality or ease of use. Deliver on time to your distributor.

> In middle and low segments, consumers are particularly influenced by trends. They prefer new products that are more "now" to existing products. In premium segments, trends are a less crucial buying motive. These consumers value products that are more exclusive or unique, making them less easily substituted. For example, highend demand for natural materials

and "handmade" products may offer you opportunities.

**Tips**:Follow market trends, especially those related to consumer needs. Especially in the trend-sensitive segments, you should be prepared to work flexibly with your core materials in order to prevent substitution and meet the seasonal demand of the mid-market. This approach can mean creating new looks or finishes at a fast pace and re-styling existing items to suit a new trend. Bring your product offer to a level that impresses buyers from the higher market segments. If your core strength is manufacturing, fine-tune the process to become a key player in your particular price segment.

# Market Channels

Ready-made curtains and cushion covers can be found in a wide variety of shops, ranging from low-end discounters to highend boutiques. In the low-end segment, department stores and even some Do-It-Yourself stores offer ready-made curtains. The channels through which these are put on the market follow the traditional patterns. Import occurs via importers/wholesalers that supply to retailers, and larger retail chains that import themselves. More and more smaller retailers start buying directly from the supplier, especially when it concerns the more high-end curtains.

Ready-made curtains and cushion covers are mainly marketed within the lower and middle market segments of the European market. In the higher segment, most of the curtains are tailor-made. For the low-end market they are the preserve of high-volume suppliers with low prices and margins, resulting in simple designs. For the middle market they are fashionable products (mid-low) or added value products (mid-high). Chinese and Indian high-volume suppliers dominate the lower end of the market. The middle market offers you the most opportunities, especially if you use special natural fibres such as organic cotton, bamboo or linen. Innovation by combining materials and/or valueadding techniques (embroidery, printing, embellishments etc.) is the way to develop premium lines in a predominantly mid-end market.

#### E-Commerce

E-commerce in home textiles is increasing and can help you reach a broader range of customers. Retailers often combine online and offline channels. Consumers research and purchase products online, shopping around and comparing prices on home textile items. To supply e-commerce you must be able to work with individual packing and labelling, as well as limited minimum orders.

#### Market segments to target

Ready-made curtains-Ready-made curtains are mainly marketed within the lower and middle market segments of the

European market. In the higher segment, most of the curtains are tailor-made. Ready-made curtains for the low-end market are the preserve of high-volume suppliers with low prices and margins, resulting in simple designs. Ready-made curtains for the middle market are fashionable products (mid-low) or added value products (mid-high). Chinese and Indian high-volume suppliers dominate the lower end of the market. The middle market offers you the most opportunities, especially if you use special natural fibres such as organic cotton, bamboo or linen. Innovation by combining materials and/or value-adding techniques (embroidery, printing, embellishments etc.) is the way to develop premium lines in a predominantly mid-end market.

Cushion covers-In the low segment, simple and inexpensive cushion covers are common, often made of manmade fibres. In this segment it is very hard to add value since the price is the main aspect. In the middle segment, cushion covers are manufactured with sustainable raw materials like organic cotton and hemp. In the high segment, designer quality is common and private labels are the standard. The middle and high-end markets offer you the most opportunities. To supply these segments you need to pay particular attention to design and quality. You can add value through special techniques such as printing, applique and embroidery, and combining different materials or adding accessories such as fringes, pompoms or tassels. Instead of using woven fabrics to make a cushion cover you can also knit or crochet them.

### Pricing

Prices for readymade curtains and cushion covers vary depending on composition, manufacturing technique, size, design and brand. The European consumer price of both products is around 4-6.5 times your selling price. Shipping, import and handling add 15-20%. Wholesalers account for a further 50-90% mark-up. Retailers may add another 90-150% to the price. Finally, European VAT percentages range from 18% in Malta to 27% in Sweden. Your original selling price depends heavily on the availability and cost of raw materials. For example, the average prices of cotton have fluctuated considerably in recent years. Occasional increases in the price of raw materials are not directly passed on to the consumer, but do put pressure on exporters, importers and retailers' margins.

**Tips:** The value perception of your product in the chosen segment determines its price. The quality and price of your cushion covers must match what is expected in your chosen target segment. To determine your price, study consumer prices in your target segment. Adjust your cost accordingly. Understand your segment. Offer a correct marketing mix to meet consumer expectations. Adapt your business model to your position in the market. ■ Source : CBI, EU