

The European Market for Candle Holders



The European market for candle holders is growing, with most of its imports originating from developing countries. Candle holders have moved away from being mere functional items to become decorative accessories in their own right. The gift and wellness markets are becoming increasingly important for candle holders. Outdoor and seasonal designs offer additional opportunities. Craftsmanship and fair trade values can add value to your products.

Candle holders are decorative accessories that are functionally related to the product group of candles. They are also classified as home accessories, along with items such as picture frames and vases.

Product Attributes

The primary function of candle holders is to support the candle that goes inside. Needless to say, you must be aware of what types of candles the candle industry offers. For safety reasons, the flame of the candle should not be able to burn the holder and the holder must be stable. A metal cap is often inserted into wooden candle holders to prevent fire.

Size & Material - The most popular types of candles are tapers (dipped candles) with a diameter of 22 mm, pillar candles (cylindrical, moulded candles) measuring 6.8 cm or more, and tea lights with a 59 mm diameter. These diameters determine the size of the hole of the candle holders. Candle holders come in various materials, ranging from wood to ceramics, metal or synthetics. They can be produced both by hand and industrially.

Design - From functional basics, candle holders have become expressive home accessories that sometimes 'outshine' the candle itself. This means that the design level of candle holders has increased, for example through shape, decoration, functionality and use of material. Top designers and brands are clearly not afraid to make their mark on this product group anymore, and it has pushed the candle holder up from the lower end of the market into broadening mid and premium segments.

Labelling - Information on the outer packaging of candle holders should correspond to the packing list sent to the importer. External packaging labels for candle holders should include: producer, consignee, material, quantity, size, volume, country of origin, and caution signs. EAN or barcodes on the product label are common in Europe. Your buyer will specify what information they need on the product labels or on the item itself, such as logos or 'made in...' information. This is part of the order specifications. Use the English language for labelling, unless your buyer indicates otherwise.

Packaging - You should pack candle holders according to the importer's instructions. They have their own specific requirements for the use of packaging materials, filling boxes, palletisation and stowing containers. Always ask for the importer's order specifications. These are part of the purchase order. Properly packaging candle holders minimises the risk of damage by shocks. How an item is packaged for export depends on how easily it can be damaged. Packaging should make sure the items inside a cardboard box cannot damage each other. It should also prevent damage to the boxes when they are stacked inside the container.

Packaging must be of easy-to-handle dimensions and weight. Standards are often related to labour regulations at the point of destination, specified by the buyer. Cartons are usually palletised for air or sea transport. You have to maximise pallet space. Nesting or stacking the items inside the container reduces costs. While packaging has to provide maximum protection, you must also avoid using excess materials or shipping 'air'. Waste removal is a cost to buyers. Importers are increasingly banning wooden crating and packaging due to their unsustainability and high material and disposal costs. **Economical and sustainable packaging materials are more popular. Using biodegradable packaging materials can be a market opportunity.** For some buyers, it can even be a demand. Mould prevention Wooden items can mould or crack, so you need to dry the wood properly after production. Condensation inside the container during transport can cause mould because of humid air becoming colder at night and warmer during the day. You need proper air ventilation inside the container to prevent this. Before shipment, you must inspect containers for air holes. You can also place products to reduce humidity amongst the cargo. Make sure to follow the importer's instructions. **Consumer packaging for candle holders adds value to the product in the form of branded giftwrapping.** The gift box can be the original export packaging or a box provided by the retailer. Candle holders themselves can function as gift wraps, enveloping moulded candles and adding value to them by offering decorative value.

Market Opportunities

European imports of non-electrical lamps and lighting fittings are increasing. More than two thirds of these imports come from developing countries. Europe's main importers of non-electrical lamps and lighting fittings are Germany, the United Kingdom and the Netherlands. The strong performance of products from developing countries makes them especially interesting target



markets. Because no specific trade data are available for candle holders, these statistics cover nonelectrical lamps and lighting fittings.

European demand for non-electrical lamps and lighting fittings increased between 2012 and 2016. With an average annual growth rate of 6.8%, it reached Euro 367 million in 2016. Demand is highest in the United Kingdom (Euro 111 million), followed by Germany (Euro 57 million). Europe's demand for non-electrical lamps and lighting fittings is much higher than its production. This drives the need for imports, making Europe an interesting market. European production of non-electrical lamps and lighting fittings increased between 2012 and 2016. With an average annual growth rate of 13%, it reached Euro 126 million in 2016. Italy and Poland are responsible for 32% and 27% of European non-electrical lamps and lighting fittings production respectively.

European imports of non-electrical lamps and lighting fittings increased from Euro 359 million in 2012 to Euro 426 million in 2016, with a peak in 2015. This corresponds to an average annual growth rate of 4.4%. In the coming years, European imports are

TIPS:

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

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

expected to keep growing moderately. With Euro 301 million, developing countries account for 71% of European non-electrical lamps and lighting fittings imports. This share is predicted to stay fairly stable in the coming years. In reality, many of the exports of non-electrical lamps and lighting fittings from Western European countries are re-exports of products manufactured in developing countries. Germany and the United Kingdom are by far the leading importers of non-electrical lamps and lighting fittings, with Euro 95 million and Euro 93 million in 2016 respectively. The Netherlands follows with Euro 41 million. These countries are also leading when it comes to imports from developing countries. They source up to 89% of their total non-electrical lamps and lighting fittings imports from developing countries. China dominates European non-electrical lamps and lighting fittings imports, with 57% in 2016. **Another leading developing country supplier is India with 10%, followed at a considerable distance by Vietnam (1.0%).**

European exports of non-electrical lamps and lighting fittings consist mainly of trade within Europe. Germany and the Netherlands are by far Europe's leading exporters of non-electrical lamps and lighting fittings, with Euro 40 million and Euro 39 million respectively. This illustrates these countries' role as trade hubs within Europe. 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.

Trends & Opportunities

Gifting - Gifting is an important consumer need within home decoration. From stand-alone items, candle holders have physically merged with candles to add to the gift and decorative value of candles. Especially scented candles increasingly come in decorated containers of glass, metal or other materials, usually with branding. In such cases, the candle and its holder make one coherent design statement, each component adding value and together becoming the perfect gift.

- Think about the various target groups for gifting (gifts for men are rare!) and gifting occasions.
- Study consumer prices of gifts (for example via online retailers) and work those back to FOB prices, also for candle holders.



- Develop gift-wrapping for your candle holder or candle plus holder, such as a nice box.
- Consider online platforms that specialise in gifting.

Wellness - European consumers are on a constant quest to improve themselves in terms of both body and mind. This is reflected in their desire for better health, greater knowledge and the development of new skills. Candles feature in spiritual rituals as well as in spa and yoga contexts, both at home and away, increasing the demand for suitable candle holders.

- Study the wellness trend and the use of candles in this context.
- Brainstorm about suitable candle holders to support consumers in their quest for mental and physical improvement. Think about rituals from your own culture and what items and styles can be transformed into suitable offers for the European market.

Make your own – Candle holders are proving very suitable for satisfying consumers' need to express their own creativity in interior design, rather than work from pre-set offers from the industry. Consumers want to 'create' their own candle holders or at least arrange them in their own way. Examples are: components that consumers can (re-)arrange to form different shapes; options in terms of shape, colour, dimensions; options for consumers to 'finish' the candle holder, for instance in the form of plain wood they can paint or complementary accessories for decoration; adjustable design, for example through moveable 'arms'. This allows consumers to 'participate' in the production process. Additionally, consumers like to mix and match different styles, or combine new purchases with flea market finds.

- Offer components, options and other ways to let consumers 'create' or 'finish' their candle holder and express their personal taste. An extreme option is 3D printing, which might soon become available to consumers as well.

A seasonal choice - More than a trend, seasonality is a traditional and continued influence on the buying behaviour of European consumers. Christmas forms the main peak, but candles and candle holders also feature at Easter and specific occasions, such as birthdays and weddings. Not only are candles burnt extensively during the holiday season, but candle holders are also part of Christmas decorations. In addition, candle holders make appropriate Christmas gifts. The shapes and colours of these seasonal candle holders represent the well-known Christmas imagery: stars, Christmas trees, or figurative representations from the Father Christmas or Nativity stories. Unlike regular candle holders, those with a seasonal design don't stay in the room after the event. Christmas decorations, including seasonal candles and candle holders, are subject to short-term trends (especially in colour and theme) and impulse buying. Both are influences that

consumers generally find hard to resist, making the replacement value of seasonal candle holders high: they may not be on display for years on end. If you are already in the business of candle holders, consider seasonal designs as an opportunity to create additional turnover.

Fun and play - An important driver behind consumer needs in home decoration is humour. Different forms of humour are also found in candle holders. This trend is here to stay, especially because it connects so deeply with consumers' emotions. Examples of humour are: 'designer' jokes, such as warped or twisted or seemingly damaged designs; bizarre humour; trompe l'oeil or optical illusions (3D); funny or cute decorations (such as cuddly animals), resembling a wooden necklace or a wine bottle, or candle holders that are actually candles. Study the market for examples of light-heartedness and find ways that agree with your own organisational identity. Humour is a key way to connect with the consumer, but what is considered funny may be personal or cultural. The above list is far from complete, so there are more ways to position on humour.

Craft - Candle holders are a playground for designers to show supreme craftsmanship, adding value for the consumer. Themes include: 'clever' design solutions, such as a clip candle holder; hybrid, multifunctional items; the full range of styles, from figurative to minimalist; evocative forms, such as constellations (currently quite trendy); experimental techniques, such as with laser printing or electroplating; combinations of materials creating effects relating to touch, such as warm and cold, rough and smooth; unsophisticated 'raw' statements, using for example concrete, steel, copper, hammered brass; elegant, smoothly finished, polished, wood-turned wooden candle holders; coherent and convincing lines of matching themes or with one binding design element.

- Start from a superior knowledge of your materials and what design flexibility they give you. Show your technical mastery to bring out the best in your materials.
- Add novelty to your candle holders through surprising shapes, functional applications, an interesting feel or visual impact.
- Think collections! In designing a line of candle holders, start from one design aspect (for example a shape, form, colour or theme) and work that into a clear and attractive line of items. Study how brands on the market do this.

A fair amount of fair - Responsible consumerism is increasing, and trends inform us that being seen as a 'green' consumer adds status in the eyes of that consumer's peers. The connection of 'green' to the consumer's status means a connection to one of the most basic and core consumer needs, making responsible consumerism a trend that will stay and grow. There is

no significant green offer in terms of recycling or a responsible use of materials for candle holders, but this may change soon. This is compensated by an ample offer of candle holders in the fair trade segment. These range from rather clichéd ethnic styles to candle holders with contemporary styles and relevance.

- Consider whether you can recycle, reuse or reduce when developing candle holders.
- Think about how you can develop or grow your social or environmental values, for instance by looking at your sourcing of materials, your production process, your transport emissions, or by making items recyclable.

Into the garden - The garden has become an extension of the home. It now receives equal attention in decoration and expresses the consumer's taste as much as the indoor spaces. The candle has made its entry into the garden, and the candle holder has followed suit. There are oversized candles and XL holders in durable materials ranging from stone to treated wood and synthetics. Lanterns are especially popular, preferably containing candles for the sake of romance. Candles can float in holders of glass and other materials. To add reflection, wall sconces with reflective disks behind them feature in the home and garden, creating a nostalgic, theatrical effect. Follow developments in outdoor living and decoration and offer suitable ranges of candle holders.



Legal Requirements & Legislations

General product safety Directive applies to all consumer products, including candle holders. It states that all products marketed in Europe must be safe to use. Read more about the General Product Safety Directive. Also use your common sense to ensure normal use of your product does not cause any danger. The RAPEX database lists products that the European Union has rejected at the border, or withdrawn from the market. Check the database for similar products for an idea of what issues may arise.

Packaging legislation in Europe has specific packaging and packaging waste legislation. Among other things, it restricts the use of certain heavy metals. Europe also has requirements for wood packaging materials (WPM) used for transport, such as packing cases, boxes, crates, drums, (box) pallets and dunnage. Read more in the overview of EU rules on wood packaging material. The REACH regulation lists restricted chemicals in products that are marketed in Europe. For example, REACH restricts the use of arsenic and creosotes as wood preservatives. The European Chemical Agency provides useful information and tips on REACH. See for instance REACH Annex XVII for a list of all restricted chemicals. Also check out the information on REACH for companies established outside Europe and the Questions &

The Wildlife Trade Regulations restrict the international trade in specimens of wild animals, plants and derived wildlife products. This is the European Union's strict implementation of the Convention on International Trade in Endangered Species (CITES). According to the Timber Regulation, you must prove any timber used was harvested legally. Products with a FLEGT or CITES license comply with the Timber Regulation.

Sustainability (Social and environmental) make your products stand out on the European market. Think of sustainable raw materials and production processes. European buyers increasingly demand the following certification schemes: Business Social Compliance Initiative (BSCI): European retailers developed this initiative to improve social conditions in sourcing countries. They 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 a company has been audited, it is included in a database for all BSCI participants.

Ethical Trading Initiative (ETI): This initiative 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 to read up on sustainable options. However, only niche market buyers demand compliance with such standards.

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 value your company's environmental and/or social performance, this may be a competitive advantage. You can do this, for instance, with a self-assessment like the BSCI Self-Assessment for Producers, or a code of conduct such as the BSCI Code of Conduct and the ETI base code.

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 trays is labour-intensive, 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. Ask buyers what they are looking for. Especially in the fair trade sector, you can use the story behind your product for marketing purposes.

FSC certification (Forest Stewardship Council) certification is the most common label for sustainable wooden products, including wooden candle holders. The FSC label guarantees that a product's source material comes from responsibly managed forests. These products are especially popular on Western European markets.

Respirable Crystalline Silica (RCS) can cause lung cancer through inhalation. The ceramics industry mostly uses crystalline silica in the form of quartz and cristobalite. Although European legislation cannot regulate working conditions in non-European countries, European buyers care about worker safety. They may demand good handling of crystalline silica during production.

Market Channels & Competition

The market channels and segments for candle holders do not differ significantly from the sector in general. Candle holders are carried by a variety of retailers, from hypermarkets, garden centres, general home and furniture stores, to department stores.

E-commerce in home decoration 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 decoration items. Small (gift) items like candle holders are especially suitable for this. To supply e-commerce you must be able to work with individual packing and labelling, as well as limited minimum orders. Target online business-to-consumer retailers if you can meet the additional requirements.

Market Segments

Candle holders are well segmented into high, mid and lower-end markets. A good number of buying motives apply, creating further sub-segmentation. **At the lower end, candles holders are functional basics.** They are usually mass-produced and inexpensive, for holding tea lights or basic cylindrical candles. Materials generally are of low value and production is industrial, to keep the item affordable. These candle holders are available at hyper and supermarkets, garden centres and generally any non-specific outlets where interior items are part of broader assortments of furniture, fashion and food. **In the mid-market segment, trend (especially colour) and decorative value** at affordable prices are important buying motives. Consumers here create a specific atmosphere in their homes (for example a nostalgic 'cottage' style or a natural style), which their candle holders need to match. Prices are still sensitive, although mid-high consumers choose what expresses their identity and are therefore less focused on price. Distribution is through department stores, interior specialists, and on-line.

Premium market candle holders are eye-catchers, often branded. They are strong identity markers for consumers, allowing them to tell a story. Innovation and high aesthetics are more important than price.

Seasonal and green candle holders generally cut right across the segments. Generally, the lower-end market is a difficult area to compete in. The mid-market is very suitable for you, provided you have sufficient capacity, friendly prices and offer good decorative value. If your design level is premium in terms of technical mastery, the high end market can also be a segment with good potential.

Pricing

This is influenced by your marketing mix: product benefits, promotion (brand or not, communication of product benefits), points of sale (reseller positioning), and a matching price. Shipping, import and handling add 25% to the price of your candle holders. Wholesalers account for a further 100% mark-up. Finally, retailers may add another 100-150% to the price. The value perception of your product in the chosen segment determines its price. The quality and price of your candle holders must match what is expected in your chosen target segment. To determine your price, study consumer prices in your target segment and adjust your price accordingly. Understand your segment. Offer a correct marketing mix to meet consumer expectations. Adapt your business model to your position on the market. ■

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