

Consumers look to mesh sustainability with decorating plans

Nearly half of consumers are seeking sustainable products when making their decorating plans, and many are on board with paying a premium for those items.

According to a Furniture Today Strategic Insights survey, 46% of all respondents thought sustainability was an extremely or very important factor underlying their decorating decisions, while just 24% found sustainability to be just slightly important or not at all. A 2021 Euromonitor International study on global consumer types categorizes those who put a premium on sustainability as Minimalist Seekers, those who rarely buy non-essentials, look for quality and will pay more for products with longevity. This group makes up about 12% of global consumers.

Empowered Activists, who account for about 15% of the population, are another consumer type that favors products with sustainable features. More than three-fourths of this cohort tries to make a positive impact on their environment through everyday actions.

In the Furniture Today study, which broke down respondent groups by age, Millennials scored highest among those who would pay 11% or more for a product bearing a sustainable label, but the youngest group, Gen Z, was also in willing to ante up extra, with 65% saying they would pay between 6% and 10% extra and 13% going the 11% or higher route.

Baby Boomers were the most frugal with 22% — the highest among the four age demographics — willing to pay less than 5% and 17% unwilling to pay any premium for a sustainably made product. ■ *Source : Furniture Today*



Kitchen and Bath improvement sales are again vulnerable to rising prices

Escalating prices have had little impact on consumer demand for core kitchen and bath improvement products through much of the pandemic. In 2021, the average selling price of products related to kitchen and bath home improvements increased 5%, and unit sales rose 15%, according to Retail Tracking Service data from The NPD Group. The trend began to equalize toward the end of 2021, with an 8% fourth quarter increase in both average selling price and unit demand compared to the prior year. Early 2022 results illustrate a more traditional correlation between prices and demand, with an 8% increase in average prices and a 2% decline in unit sales in February.

“The kitchen and bath home improvement market is at the crossroads between seemingly unshakable consumer demand and impending vulnerability,” said Joe Derochowski, home industry advisor at NPD. As consumers begin to emerge from their home-centric pandemic lifestyle and behaviors of the past two years, their needs, spending, and demand will continue to shift. Faucets and sinks, the most critical kitchen and bath items, appear to have been affected more by demand than by prices.

Since the beginning of 2020, these products have been in high demand with no notable price influence through most of 2021. However, a new trend appeared in January and February 2022 as unit sales of both faucets and sinks took a downturn as prices continued to rise. The same demand dynamics did not exist for products, like bathtubs, whirlpools, and garbage disposals. Demand for bathtubs and whirlpools was extremely low in 2020, despite a massive decline in prices. Things changed in 2021, when prices rose by double-digits, causing unit demand to decline further. The garbage disposal category tolerated some small price increases, but there were prominent dips in demand through 2021 when prices climbed. Unit demand kept rising through the end of 2020 and much of 2021, but price declines were not proportional. When prices did rise in the single digits, sales continued but softened. In January 2022, average selling prices increased by double digits, and units fell slightly for the first time in nearly two years, but quickly rebounded in February. ■

Source : Furniture Today