



Desks, chairs and workstations are not always seen as part of a traditional dealer's portfolio, but get involved and there's plenty to be gained.

Times are changing and not only are office products dealers increasingly expanding their businesses to provide the now almost ubiquitous one-stop shop offering, but the office furniture market itself is expanding, albeit modestly.

Estimates vary and latest industry figures will not be published until January 2005 but the most up-to-date information showed a value of £851m in 1999 (quoted both by manufacturers and by AMA Research's UK Office Furniture Market Research Report 2000). Base that on the estimated total value for the office supplies industry (including computer supplies) of £3.7bn (MPA International), and the office furniture market represents 23% of the overall office products market – not insignifi-

cant. The growth has been estimated at around 2% (MPA International) which means a market value of £958m in 2005.

And this growth is currently likely to be coming from home-based installations where, incidentally, flat packed furniture is quite acceptable, but also where the commercial sector may be losing out to the local DIY and furniture superstores such as IKEA.

Furniture design alters as we use more technology and more open-plan offices bring a demand for redesigned furniture to accommodate equipment and function flexibly within a changing office environment. As markets increasingly become pan-European, UK manufacturers have created more stylish, modern

designs with an international appeal. This has been assisted by health and safety legislation necessitating the re-design – and purchase – of much office furniture to provide more height adjustability. These factors bring more products to the market, helping drive expansion.

So why get involved? First, there is the one-stop shop factor. All customers, be they end-users or retailers, are keen to purchase as efficiently as they can. Most people will make all their purchases from a single source if possible, even if it means a slightly increased expenditure.

Second, there is the changing end-user profile for office furniture. Office furniture reaches consumers either direct from the manufacturers,

via wholesalers and dealers, or from retail outlets. Retail outlets are fast dominating the home office sector and, as with general stationery, dealers will need to widen their appeal and ability to service this growing sector of the market as a whole.

And last but certainly not least, the margins on office furniture are considerably greater than on traditional stationery and certain other goods.

There is a wealth of potential here for dealers, and the time has never been better for getting involved with furniture, nor has it ever been easier to do so. Furniture manufacturers are more aware than ever of the crucial role that office products dealers have in their market, and are working hard to make it as stress-free as possible for dealers to work with them. ■