
ISSUE 8
APRIL 2024

MAISON&OBJET BAROMETER

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MAJOR MARKET INDICATORS



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MAISON&OBJET BAROMETER

The barometer of the international decor, design and lifestyle industry

1,090
Respondents

402

Retailers

Independent shops, department stores, chain stores, e-commerce firms, etc.

370

Specifiers

Interior designers, architects, real estate developers, landscape architects, etc.

306

Brands

Manufacturers, designers, makers of decor, design or lifestyle products

Our methodology

For its barometer, Maison&Objet surveys the community of key industry stakeholders twice a year about major market indicators and issues of current interest.

3 different populations are monitored:

RETAILERS

SPECIFIERS

BRANDS

The data in this report are based on the results of an online survey conducted from March 25th to April 8th, 2024, of 1,090 respondents.

This report will reveal comparisons with recurrent indicators from previous edition of the April Maison&Objet Barometer.

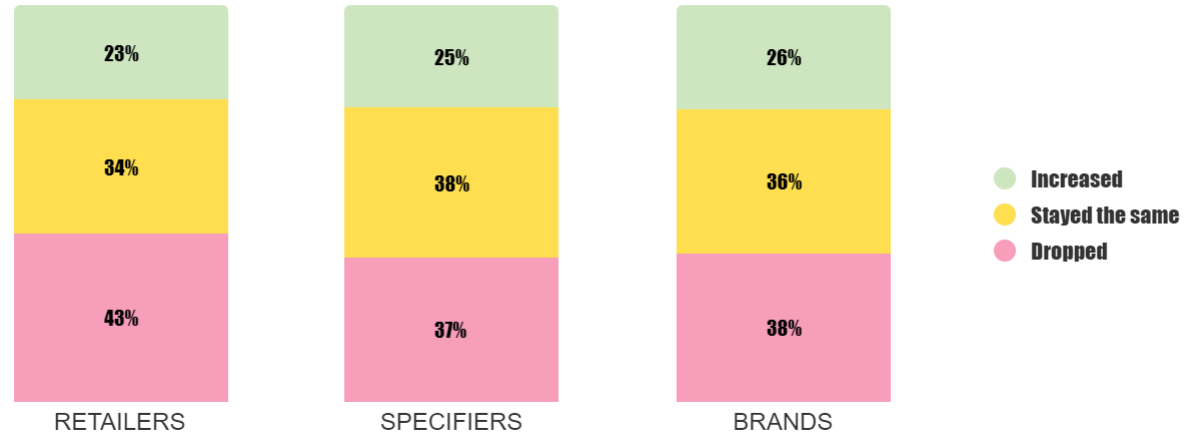
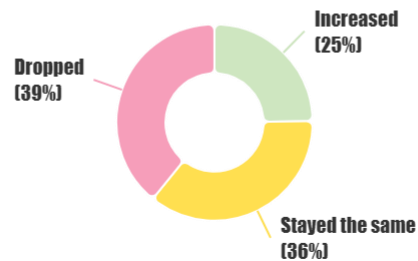
The respondents also includes 12 hotels & restaurants but without specific analysis focused on this target.

MAJOR MARKET INDICATORS

Sales revenue

Compared to the same period last year,
over the past 6 months, has your sales revenue...

Effective responses: 1,090



From October 2023 to March 2024, the results for our professionals is very mixed.

39% of respondents reported a fall in sales, 36% that sales had remained stable and 25% that sales had increased compared to the same period last year. These results depends on the profiles surveyed.

Retailers are the target group mostly affected, with 43% of them reporting a fall in sales.

MAJOR MARKET INDICATORS

Sales revenue

We asked retailers to assess their sales performance (in volume terms) per product category over the past six months.

Furniture seems to have been hard hit, with 57% of retailers reporting a decrease in sales from October 2023 to March 2024.

Almost half of retailers selling connected objects, tableware and home textiles also reported a decline.

On the other hand, some products performed better : fragrances and wellness products, cooking, groceries and gifts.

These product categories saw an increase in sales volume for 28%, 27% and 24% of retailers respectively.



"I'm going to talk to you about what I know: high-end furniture.

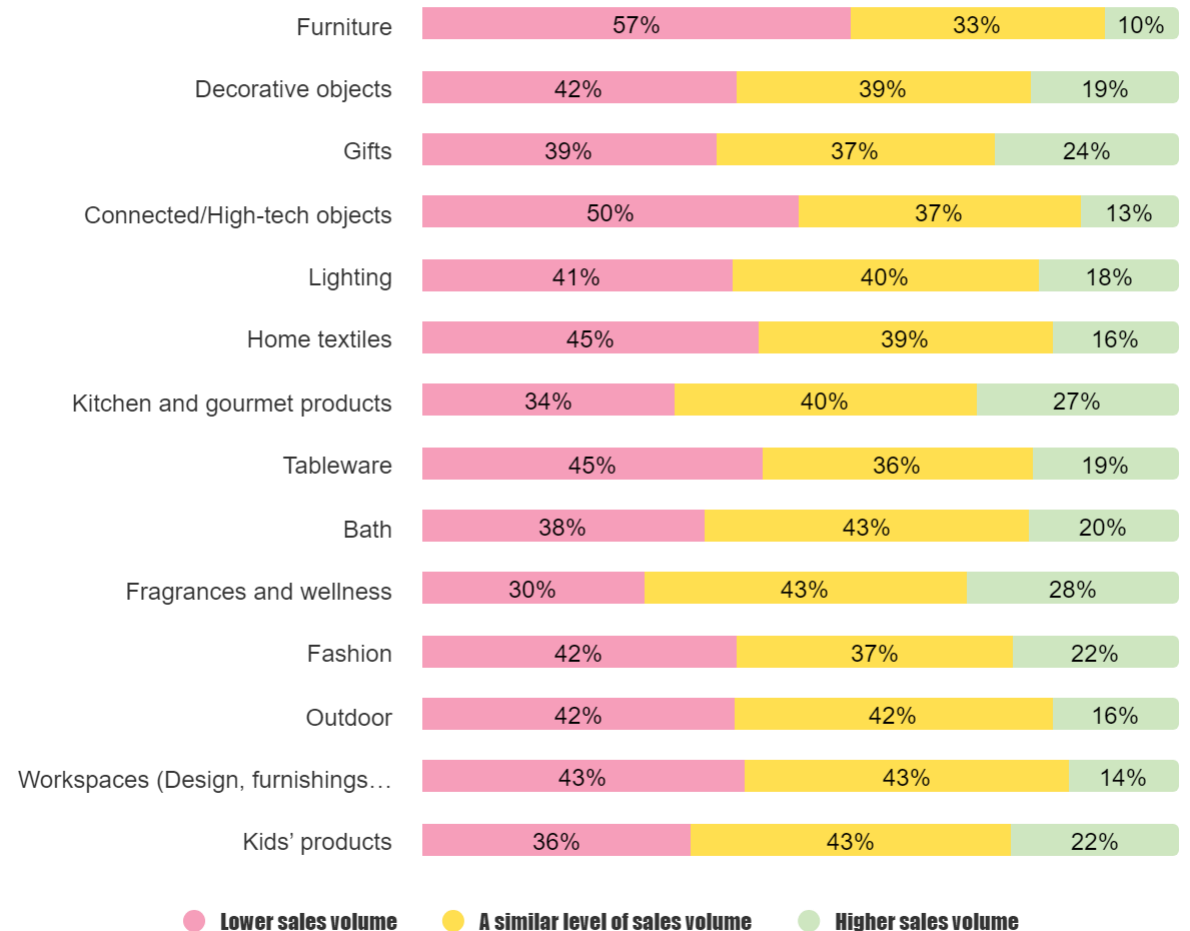
The furniture market (other than sofas) is down quite sharply.

This seems to be settling in as the "New Normal".

So, it doesn't seem likely (unfortunately) that we'll get back to previous levels of sales. It appears that clients have less of a need for furniture, and the average spend seems to be decreasing."

A contemporary furniture brand

Compared to the same period last year, what have your results been over the past 6 months, per product category?



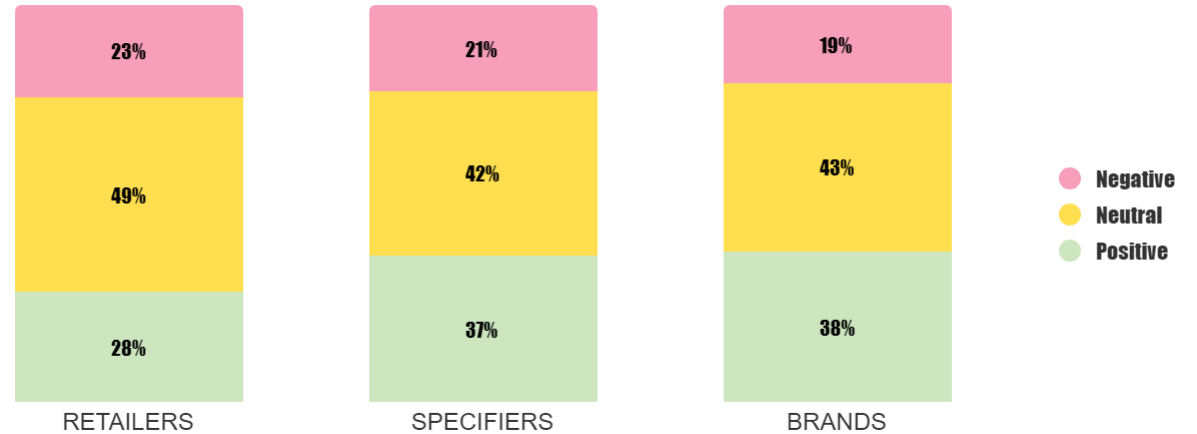
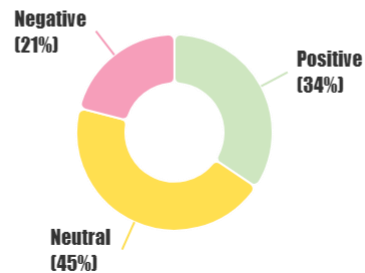
* The question was asked only to retailers that declare selling the product category

MAJOR MARKET INDICATORS

Sales outlook

Over the next 6 months,
your prospects in terms of sales revenue look:

Effective responses: 1,090



Despite the turbulence observed between October 2023 and March 2023, decoration, design and lifestyle professionals remain confident in the next 6 months.

45% of the professionals surveyed expect their sales outlook to be neutral from April 2024 to September 2024, while 34% have a positive outlook for the next six months.

Once again, a difference emerges for retailers : 28% of them have a positive outlook for the coming months, compared to 37% and 38% respectively for specifiers and brands.



"The market appears to be slowing down considerably. We'll need to stay creative to reinvent ourselves and create concepts that go well beyond simple product purchases."

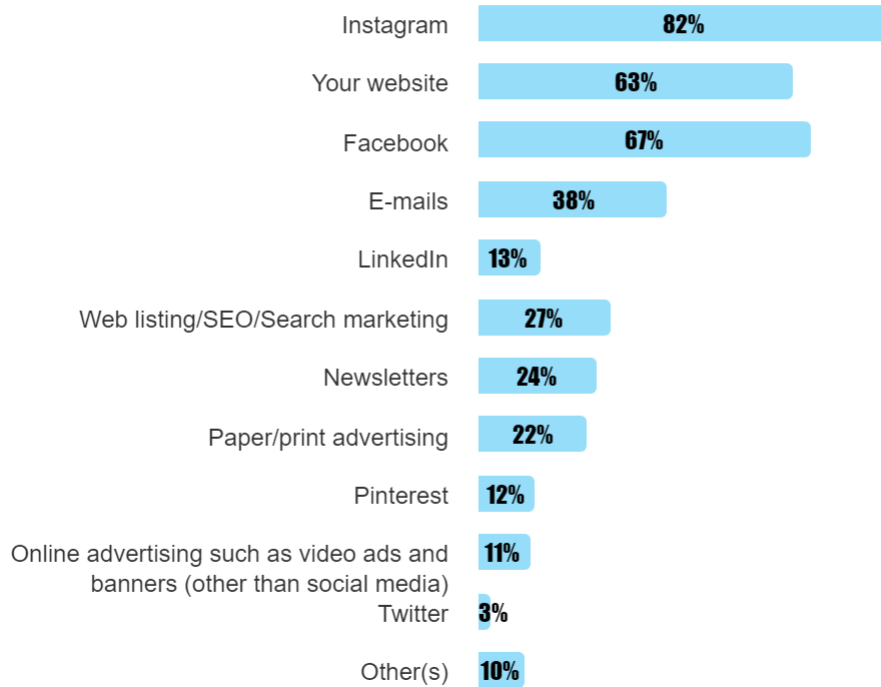
A kid concept store (France)

MAJOR MARKET INDICATORS

Channels of communication

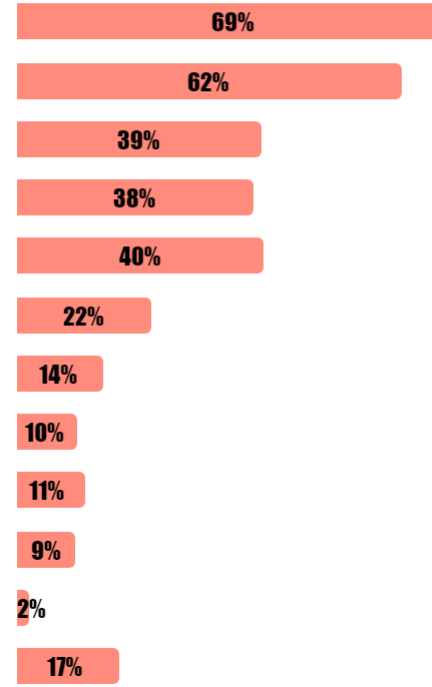
RETAILERS

Effective responses: 402



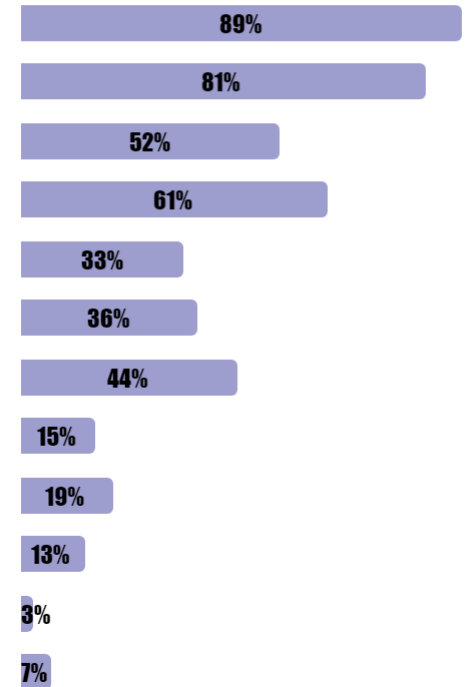
SPECIFIERS

Effective responses: 370



BRANDS

Effective responses: 306



Instagram brings together all the players in its position as the number 1 communication channel.

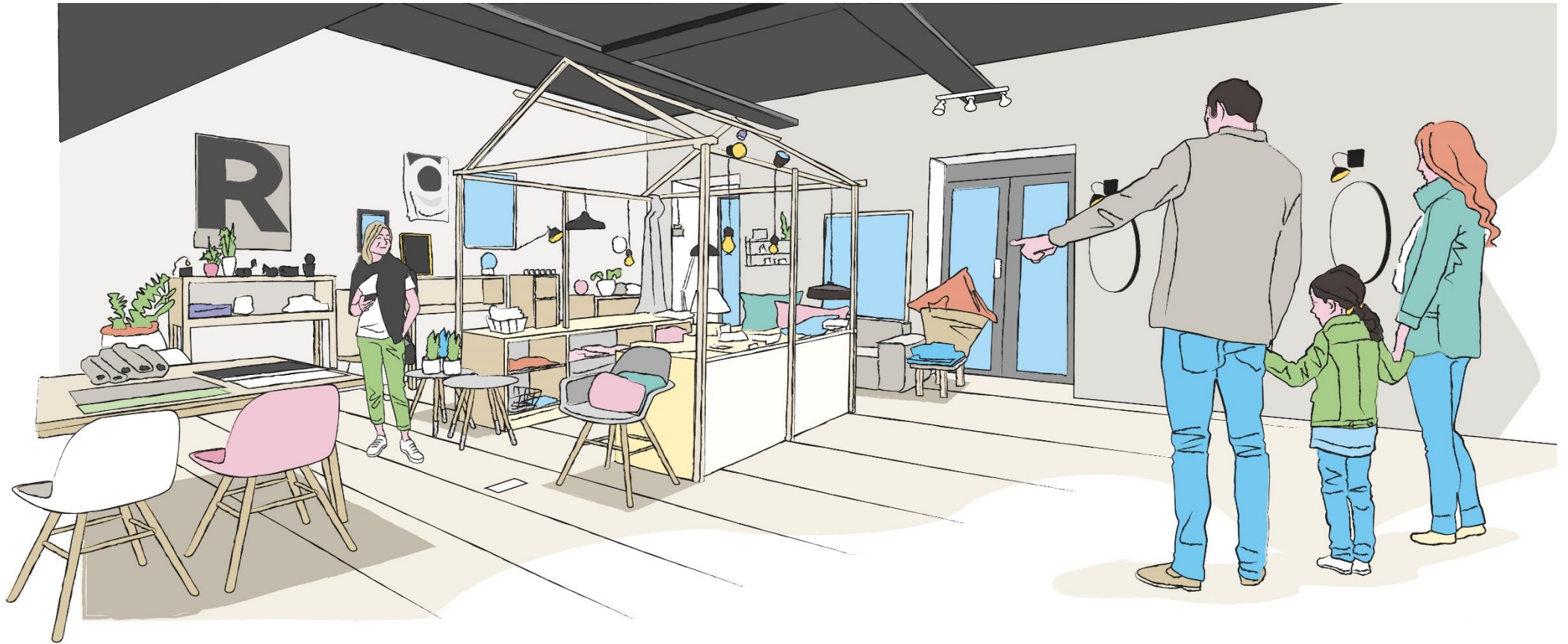
Facebook remains the playground for retailers: 67% of them rely on this social network for their visibility.

4 out of 10 specifiers communicate on the professional social network LinkedIn.

Brands are using their power to communicate through email campaigns and newsletters.

Asked question : What online channels do you use to promote and communicated about your company?

RETAIL INDICATORS



RETAILERS include the following business profiles:

Independent shops, department stores, chain stores, e-commerce, etc.



RETAIL INDICATORS

Inventory



How many new brands have you selected for your assortment over the past 6 months?

5

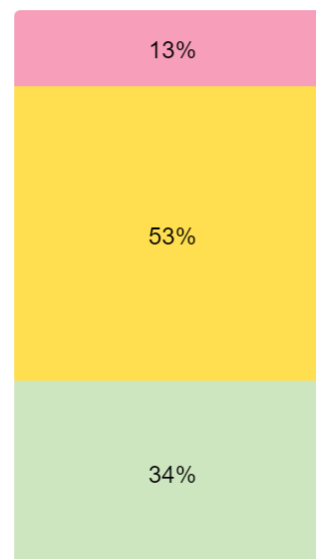
Mean

Retailers keep on renewing their assortments, with an average of 5 new brands added from October 2023 to March 2024.

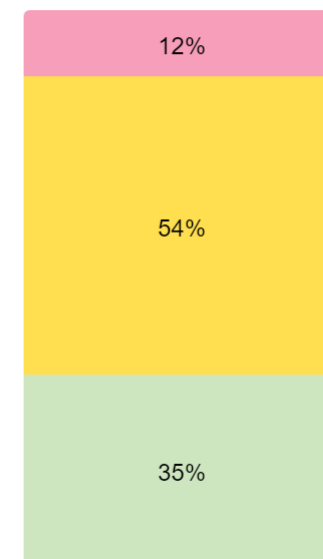
Stock levels are comparable to those seen a year ago. In April 2024, 54% of distributors surveyed said that stock levels were stable.

How would you describe your current level of product/merchandise inventory?

- Low
- Normal
- High



Barometer #6 April 2023



Baromètre #8 Avril 2024

population surveyed: 402 Retailers from the Maison&Objet Barometer in April 2024



RETAIL INDICATORS

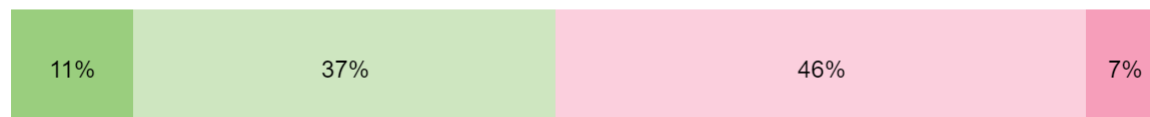
Orders & Promotions



Compared to the same period last year, over the next 6 months, do you plan to place orders with your suppliers (brands) that are...?

9 out of 10 retailers plan to place orders from April to September 2024.

Although 46% of them declare that orders will be lower, 37% of resellers state that the orders will be equal to the same period last year. 11% of retailers plan to place more orders.



● Larger ● About the same size ● Smaller ● I don't plan to place any orders

Compared to the same period last year, over the next 6 months, do you plan to run promotional offers that are...?

74% of retailers will be using promotions as a means of selling off their stocks.

44% plan to apply the same discounts as last year over the next 6 months.



● Larger ● About the same size ● Smaller ● I don't plan to run any promotional offers

population surveyed: 402 Retailers from the Maison&Objet Barometer in April 2024

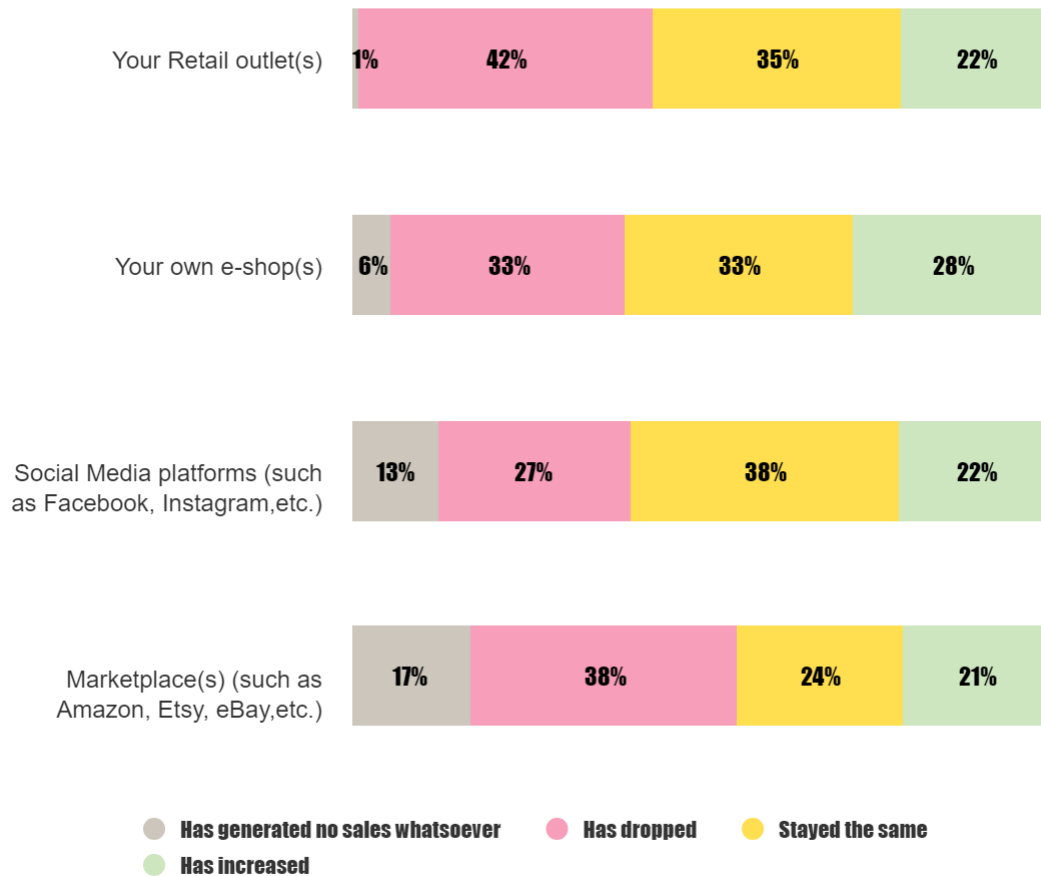


RETAIL INDICATORS

Sales channels performance



Compared to the same period last year, over the past 6 months, would you say that your sales volume from each respective sales channel...



Over the period from October 2023 to March 2024, the distribution channels were not all in the same boat.

Physical distribution has seen the biggest decline, with 42% of distributors reporting a fall in the quantities sold at points of sale compared with last year.

6 out of 10 distributors surveyed who use social networks for sales purposes consider that 38% of their sales were on a par with the same period last year.

Among distributors who have used marketplaces (note: 2 out of 10 retailers we surveyed are involved), 55% have seen no sales or a decline in sales.

However, some online shops have also experienced difficulties: 4 out of 10 report zero or falling sales.

Nevertheless, e-commerce remains the best performing channel: 28% of e-tailers report that their sales volume increased between October 2023 and March 2024.



"The challenge is to keep existing without having to move into online sales. In-person showrooms are essential for brand development. Every day, we come up against online shops that don't have to bear the same costs as us. Brands need to keep a close eye on their distribution network and the prices they offer. Thank you for giving us a forum to express our views."

An independent furniture and decoration showroom

population surveyed: 402 Retailers from the Maison&Objet Barometer in April 2024

SPECIFIERS' INDICATORS



SPECIFIERS include the following business profiles:

Interior designers, architects, real estate developers, landscape architects, etc.



SPECIFIERS' INDICATORS

Project types

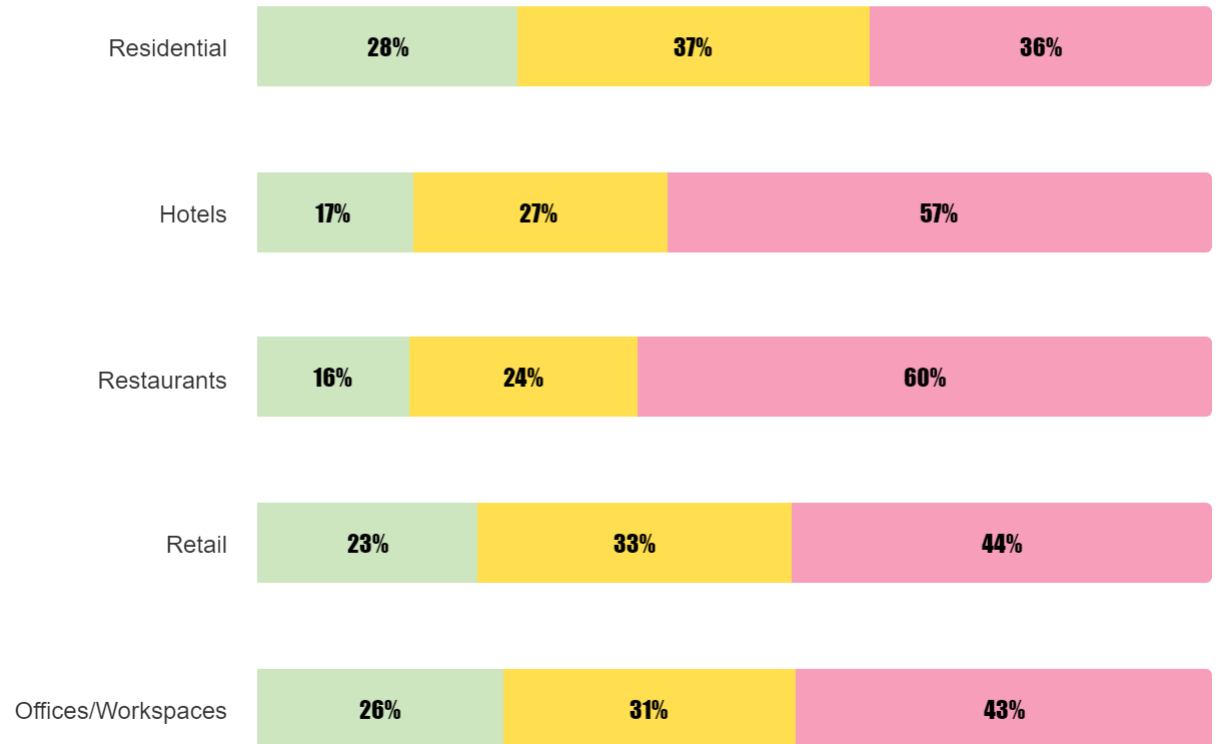


Compared to the same period last year, over the past 6 months, would you say that you've had

How many new projects have you obtained over the past 6 months?

6

More projects A similar number of projects Less projects



population surveyed: 370 specifiers from the Maison&Objet Barometer in April 2024



SPECIFIERS' INDICATORS

Project types



The specifiers surveyed have contracted an average of 6 projects between October 2023 and March 2024. An average of one contracted project per month, already observed in our previous barometers. Specifiers are therefore maintaining their business in a challenging environment.



"The problem with being a solopreneur today is managing all the different facets of our business (sales development, advertising, accounting, etc.), without losing sight of our main objective: serving our clients...Each day offers new challenges, and each step we take moves us closer to success!"

An interior designer (France)

While the overall observation among the specifiers surveyed seems to be that there has been a decline in the number of development projects, these numbers are once again worth qualifying depending on the type of project, the size of the firm, and the geographic location.

Thus, 65% of survey respondents stated that, over the past 6 months, the number of residential projects, the field of play for over 2/3 of specifiers from the Maison&Objet community, stayed the same, or even increased.

But if we look more closely, of the 36% who experienced a drop in projects, French stakeholders were particularly affected: this figure was 43% for them, compared to 22% for the rest of the world. In the specific case of France, economic circumstances were highlighted by observers to explain this notable decline. A lack of rental properties and a drop in real estate transactions, both residential and commercial had an impact. The lowering of mortgage rates to under 4% is nevertheless a good omen for 2024, according to the newspaper Les Echos (1), which reports a leap of 51.8% in the generation of loans in the first quarter and of 46.2% in mortgage loans granted.

In terms of shop, office, hotel, and restaurant projects, large firms are doing better than small agencies and independent specifiers. With an increase of 41% in their workspace projects and 50% for retail projects, compared to 26 and 23% for specifier participants of all sizes, firms with more than 10 employees stand out from the rest in terms of their momentum.



"Very exciting times wherein we have increased access to creative ideas and methods for exploring creative options, as well as ear of rendering and conceiving new ideas."

An architecture & interior design firm (USA)

BRANDS' INDICATORS



BRANDS include manufacturers, designers, decor, design or lifestyle product makers



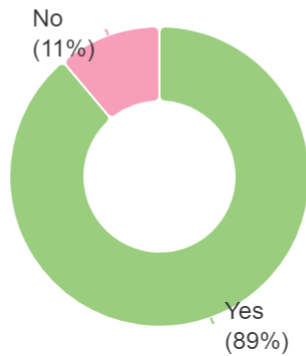
BRANDS' INDICATORS

Inventory levels & New product launches



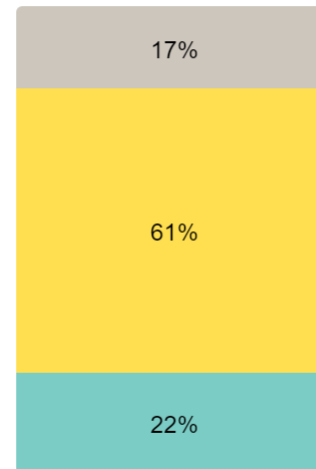
Do you plan to launch any new products over the next 6 months?

Effective responses: 306

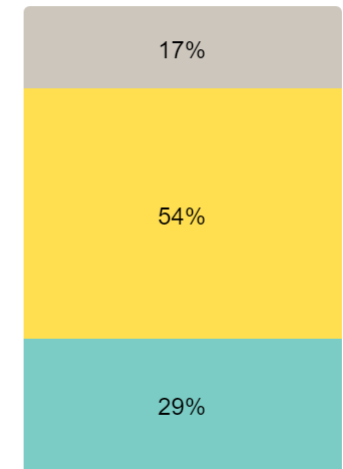


How would you describe your current level of product/merchandise inventory?

- Low
- Normal
- High



Barometer #6 April 2023



Baromètre #8 Avril 2024

In April 2024, 54% of brands are maintaining their stocks.

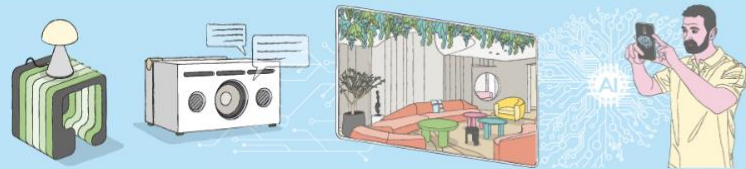
In comparison with April 2023, slightly more brands are reporting overstock: 29% compared to 22%, an increase of 7 points.

Nevertheless, brands remain ready to engage in the coming months : 89% of brands will launch new products between April and September 2024.

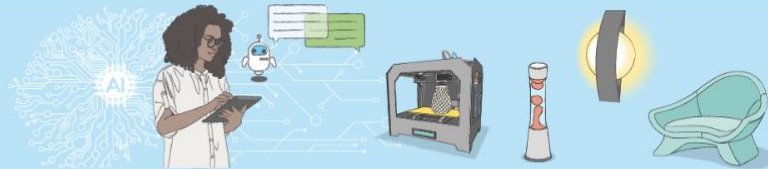
population surveyed: 306 Brands from the Maison&Objet Barometer in April 2024

IN APRIL 2024, A FOCUS ON ARTIFICIAL INTELLIGENCE





A FOCUS ON ARTIFICIAL INTELLIGENCE



AI refers to the possibility of a machine reproducing human behaviors such as reasoning, planning, and creativity.

Source: <https://www.europarl.europa.eu/portal/fr>

This term isn't new, but the launch of ChatGPT in late 2022 has prompted the large-scale development of powerful solutions and initiatives.

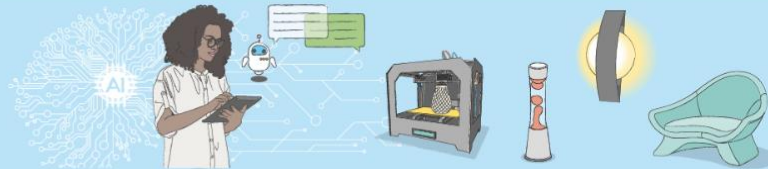
- For translation, content creation, photo and video editing, conversational marketing with chatbots, CRM, and more...solutions are popping up throughout all sales channels
- Talks and conferences dedicated to the future of AI are proliferating
- After the United Kingdom, France will host the global summit on artificial intelligence this year
- The European Union has endorsed this topic by validating a first attempt at regulation in February 2024: the AI Act
- Innovations based on AI were legion at the 2024 Big Retail Show in the United States
- This phenomenon is taking over social media, with virtual influencers, specially dedicated accounts, architectural environments generated by artificial intelligence, etc....

On the cusp of the infinite potential of this market that's already estimated to be worth several billion dollars, and which some professionals expect to grow exponentially from now through 2030, artificial intelligence still raises many questions as well as a number of fears.

*How is the decor, design, and lifestyle sector adapting to this?
What initiatives are already in place?*



A FOCUS ON ARTIFICIAL INTELLIGENCE

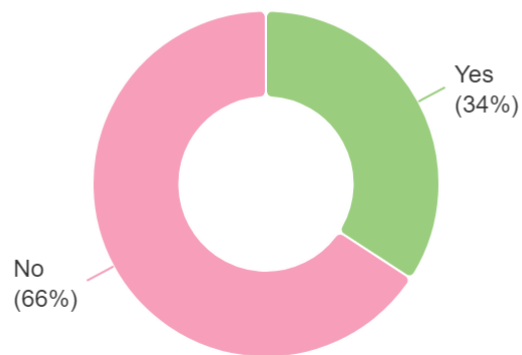


Do professionals from the Maison&Objet community use AI?

Do you use artificial intelligence tools for your business?

Effective responses: 1,090

Response rate: 100%



"I believe we need to stay up-to-date and aware of the latest technologies.

This way, these new tools can "assist" us with certain aspects of our business, without becoming a substitute for them. It's important to highlight the service and creativity that we offer. In other words, yes, let's welcome these tech innovations, but in a measured manner... That is what will make the difference in the long run."

An interior designer from the south of France



"Curiosity in any domain is essential for growth. New tools can sometimes be quite challenging to master, but they'll allow us to get out of our comfort zone, question ourselves, and enhance what we thought we already did quite well."

A professional specialized in event decoration



"AI is a technology that's in the making, but rather than turning our backs on it, why not learn to integrate it into our workflow so we can move our practices forward?"

An interior design firm

respondents: international decor, design and lifestyle professionals (BRANDS, RETAILERS or SPECIFIERS) surveyed from March 25 to April, 8 2024.

SYNTHESIS AT YOUR DISPOSAL

Discover all the figures from the Maison&Objet barometer in infographic form at www.maison-objet.com !

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THE BAROMETER FOR THE DECOR, DESIGN, AND LIFESTYLE INDUSTRY
 For its barometer, Maison&Objet surveys industry stakeholders twice a year about market indicators or current issues facing the industry. The following data is based on the results of an online questionnaire sent out from March 26 through April 8, 2024 to 1,250 participants who are Brands, Retailers, or Suppliers.

RETAILERS: Independent shops, department stores, chain stores, e-commerce, etc.
SUPPLIERS: Interior designers, architects, real estate developers, landscape architects, etc.
BRANDS: Manufacturers, designers, artists, design or lifestyle product makers.

MAJOR MARKET INDICATORS

GRANDS' SIDE
 It captures that's now underway
PRODUCT LAUNCH OUTLOOK FROM APRIL TO SEPTEMBER 2024
 89% Yes

RETAILER'S SIDE
 and forecasting the most dynamic product categories
THE HIGHEST PERFORMING PRODUCT CATEGORIES OVER THE PAST 6 MONTHS

 1. Fragrances 2. Wellness 3. Collectible/Secret Society

PEOPLE'S' SIDE
NUMBER OF NEW PRODUCTS OVER THE PAST 6 MONTHS
 6

A FUTURE TO BE OPTIMISTIC
 HOW DO YOU FEEL ABOUT THE FUTURE OF THE INDUSTRY?
 Optimistic 43%, Neutral 31%, Pessimistic 26%

HOW DO YOU FEEL ABOUT THE FUTURE OF YOUR BUSINESS?
 Optimistic 45%, Neutral 37%, Pessimistic 18%

WHAT ARE YOUR MAIN CONCERNS FOR THE FUTURE?
 Sustainability 41%, Economic Crisis 27%, Competition 22%, AI 19%

HOW DO YOU FEEL ABOUT THE FUTURE OF YOUR BUSINESS?
 Optimistic 45%, Neutral 37%, Pessimistic 18%

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A FOCUS ON ARTIFICIAL INTELLIGENCE

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A FOCUS ON ARTIFICIAL INTELLIGENCE
 The following data is based on the results of an online questionnaire sent out from March 26 to April 8, 2024 to 1,250 International design, design, and lifestyle professionals.

RETAILERS: Independent shops, department stores, chain stores, e-commerce, etc.
SUPPLIERS: Interior designers, architects, real estate developers, landscape architects, etc.
BRANDS: Manufacturers, designers, artists, design or lifestyle product makers.

IS ARTIFICIAL INTELLIGENCE A CLEAR CONCEPT?
 Yes 86%, No 14%

IS ARTIFICIAL INTELLIGENCE AS A NEW TOOL: A PROMISING START?
 Yes 84%, No 16%

AI TOOLS USED:
 Midjourney 38%, ChatGPT by OpenAI 80%, Gensai by Google 1%, Other AI tools 1%

ARTIFICIAL INTELLIGENCE AS A NEW TOOL: A PROMISING START
 Yes 84%, No 16%

...MANY FUTURE OPPORTUNITIES ARE ON THE HORIZON
 Artificial intelligence will become an essential working tool in the future 84%
 helps us save time and be more productive 80%
 allows for cost optimization or reduction 79%
 is too complex or costly for small businesses 44%

CHALLENGES:
 Lack of training 59%, Lack of data 44%

HOW DO YOU FEEL ABOUT THE FUTURE OF YOUR BUSINESS?
 Optimistic 45%, Neutral 37%, Pessimistic 18%

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MAISON&OBJET BAROMETER

The barometer of the international decor, design and lifestyle industry

Next barometer coming: OCTOBER 2024

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