



Press release

Value increase for decorative market, as volume declines

November 2012

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GfK can report that decorative categories were up by 2 percent in value terms when comparing quarter 3 2012 to quarter 3 2011. This value growth has been driven by increased average prices, rather than increased demand, as most sectors remain in volume decline.

The current state of the housing market, coupled with general economic conditions and low consumer confidence, has not proved conducive to the growth of decorative categories. However, categories, such as emulsion and trim paint, have experienced value growth, serving as the stalwarts of not only decorative, but also DIY. While emulsion paint declined by 6 percent year-to-date (YTD) in litres, rising prices ensured value growth of 4 percent, which supersedes the 4 percent value decline of total durables. In addition, the rate of decline in trim paint almost halved in quarter 3 compared to quarter 2, with 7 percent and 12 percent declines respectively.

The Wallcoverings market reported its most improved quarterly performance for over a year, with a volume decline of only 7 percent in quarter 3. Pre-decorative categories were nearly flat, with sealers and waterproofing having the strongest growth. This was likely driven by consumers undoing the damage of the deluge of 2012.

Sara Lynn Smith, GfK senior account manager, comments: 'Looking at the mix of products which have been doing well suggests that consumers are looking to complete essential maintenance work, particularly keeping homes dry, rather than elective projects. The question which emerges is, given how many factors were counterbalancing one another in this quarter, can we take these results as a bellwether for what the DIY and garden industry will look like with on-going limited property transactions?'

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