



# Exploratory Study

## Understanding the luxury furniture market in Chennai & Hyderabad<sup>1</sup>

### Background to the Project

Our Client, an upcoming furniture startup, was looking to launch a **luxury furniture brand** targeting niche consumers in Chennai, with plans to expand to other cities. To support their business launch strategy, the Client engaged ECG to explore the luxury furniture market in **Chennai** and **Hyderabad** focusing on consumer preferences for both **custom-built** and **branded** luxury furniture.

### ECG Approach

The Exploratory Study was conducted with a limited curated sample of **40 respondents** **equally** split between consumers of **custom-built** and **branded** furniture, in **Chennai** and **Hyderabad**. **Virtual interviews** were conducted for this study, during which the consumers **showcased their luxury furniture** enabling insightful discussions.

We focused on **preferences** for custom-built Vs branded furniture, choice of **materials** and **design style** preferences, preferred purchase **platforms**, **expectations** from a new luxury furniture brand and understanding the **key decision drivers** influencing choice of furniture.

The responses gathered were categorised and analysed to highlight demography and geography-wise insights.

### Secondary research

We carried out **extensive desk research** to offer the client a holistic view of multiple emerging luxury furniture brands. The research included:

- Product offerings;
- Unique features;
- Materials used;
- Customisation options;
- Delivery timeline;
- Channel presence; and
- Price ranges.



The inputs gathered from the consumers, and secondary research were combined to deliver **ECG Key Insights** and **Recommendations**.

## Key Insights

- a. Key purchase triggers across consumer segments & categories;
- b. Strong preference for offline purchases;
- c. Equal importance for aesthetic appeal & functionality; and
- d. Customer service emerged as a key pain point.

## Project Outcomes

ECG provided actionable recommendations to the Client, focusing on **strategies for building brand awareness** and **differentiation**, tailored **market positioning** and approaches to address **customer service gaps**.

## Project Timeline

The project was executed between **August** to **September 2024**.