Survey Report on Servitization and Circularity in the European Furniture Industry

Survey Report - D2.2

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FurnSERVICE – Survey Report on Servitization and Circularity in the European Furniture Industry

Executive Summary

This report analyzes responses to the FurnSERVICE survey, which was designed to assess the knowledge, adoption, and readiness of EU furniture companies to implement circular business models and practices. The collected data will serve as a foundation for developing practical guidelines and enhancing the effectiveness of social partner discussions, negotiations, and joint actions. By identifying maturity levels and regional differences, the results will inform strategies to facilitate the deployment of circular business models, ultimately supporting the sector's transition toward sustainability.

1. Methodology

The survey consisted of 38 multiple-choice questions and targeted EU furniture companies. Responses were collected anonymously and analyzed by country and company size.

Respondent Profile[1]
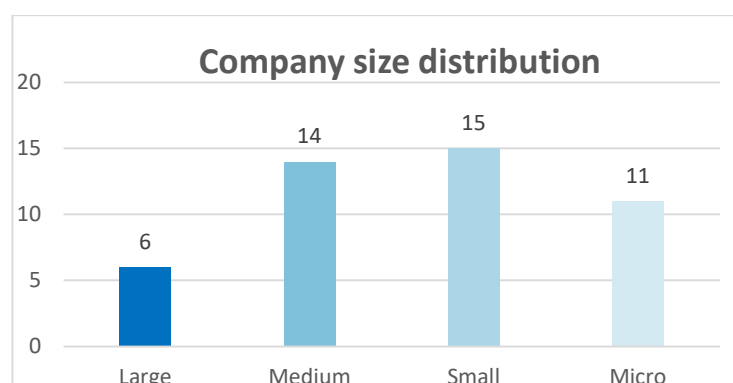
Respondents: **46**
Countries covered: **7**

Figure 1. Company size distribution.

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[1] The results should be considered considering the restricted sample size and heterogeneity in country representation.
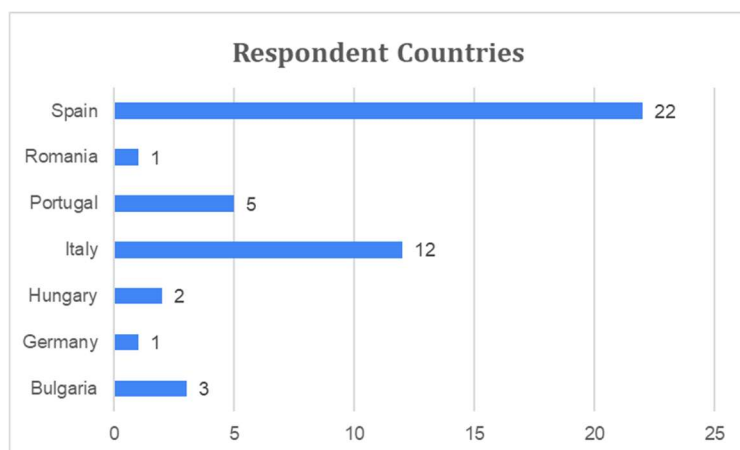
Figure 2. Respondent countries.

Category of professionals

- Head of Department - Top Manager: 15
- CEO/ Employer: 13
- Environmental/ Sustainability Manager: 10
- Communication Manager: 4
- Innovation Manager: 1
- Quality Manager: 1
- Project designer: 1
- Production Engineer: 1

Customer types

- Business customer: 23
- End consumer, Business customer: 12
- End consumer, Business customer, public administration: 4
- End consumer: 4
- Business customer, public administration: 3

2. Certification and tools

Figure 3. Analysis of certifications and tools[2].

Highlights

The sector exhibits an early-stage adoption profile for sustainability standards.
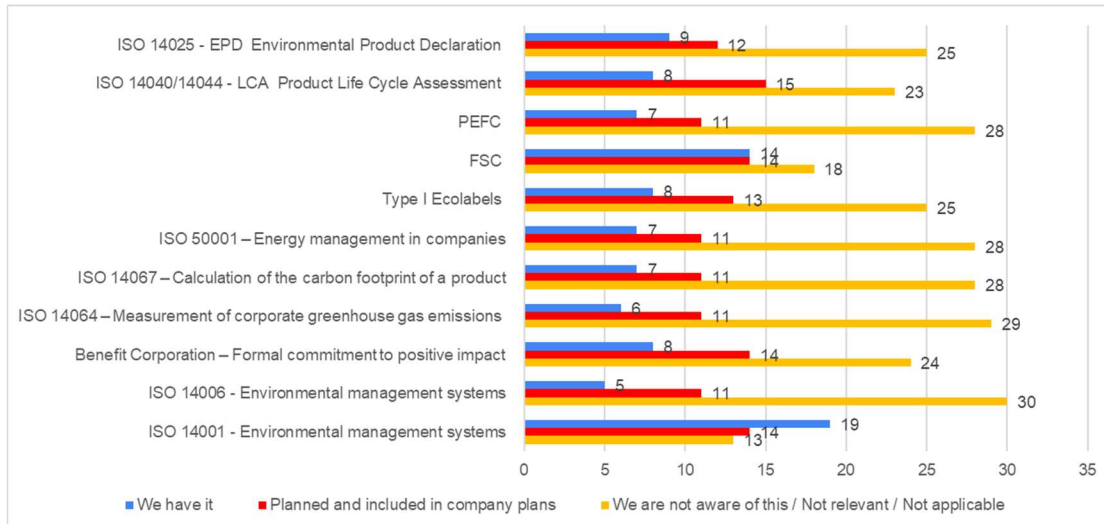
Average adoption is low at 19.4%, while planning stands at 27.1%. 53.6% of companies are either unaware of these standards, consider them irrelevant, or find their adoption not applicable[3].

ISO 14001 stands out as the most mature practice, with the highest implementation rate (41.3%) and relatively low unawareness (28%).
ISO 14006 – Environmental Management Systems has the lowest adoption, implemented by only five companies (10.9%). It also shows the highest level of unawareness (65%), indicating a major knowledge gap.
ISO 14040/14044 – Life Cycle Assessment (LCA)[4] is the most planned for future adoption, with 15 companies (32.6%) intending to implement it. This signal growing interest in product-level sustainability metrics.

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[2] ISO 14001 addresses environmental management at the organizational level, whereas ISO 14006 provides guidance for integrating eco-design principles into product development.
[3] It should be noted that the responses "not aware" "not relevant" and "not applicable" have been aggregated, potentially conflating distinct circumstances such as insufficient knowledge and genuine inapplicability.
[4] Life Cycle Assessment (LCA), Environmental Product Declarations (EPD), and product carbon footprint are closely linked.

FSC certification shows strong adoption (30%) and planning (30%), suggesting it is well recognized in the sector.

Across all standards, lack of awareness remains the dominant barrier, averaging over 50%. From an overall perspective, company size appears to influence the adoption of sustainability standards. Micro and small enterprises tend to cluster at the lower end of adoption scores, reflecting limited resources or awareness. In contrast, medium and large companies generally show higher average adoption, although variability within these groups suggests that size alone does not fully explain the differences. The upward trend across size categories confirms that larger organizations are more likely to implement sustainability practices, yet other factors, such as market positioning, client requirements, or internal strategic priorities, likely play a significant role in shaping adoption behavior.

Singular statistically significant results

From a specific perspective, data reveals that larger companies are significantly more likely to adopt formal environmental standards and certifications. ISO 14001 shows the strongest association with company size. This suggests that as organizations grow, they tend to formalize their sustainability practices through structured framework. Larger firms often have more resources to implement and maintain these systems, which require ongoing monitoring, audits, and compliance activities.
Similarly, FSC Chain of Custody certification and ISO 14025 Environmental Product Declarations also correlate positively with size. These certifications involve complex supply chain traceability and verified life-cycle data, which smaller firms may find challenging to manage.

The trend underscores that bigger companies not only have the capacity to absorb certification costs but also face greater market and regulatory pressure to demonstrate sustainability credentials.

Market orientation becomes relevant to certification choices only when individual tools are examined. Companies serving end consumers are less likely to hold ISO 14001. This could reflect the fact that consumer-facing firms often prioritize visible product-level claims (such as eco-labels) over systemic management standards, which are less tangible to individual buyers. Conversely, ISO 14001 tends to be more relevant for B2B relationships, where clients demand evidence of robust environmental management systems.
PEFC certification shows a slight negative correlation with firms focused on business customers. This may indicate that PEFC adoption is more common among companies targeting niche or sustainability-conscious consumer segments rather than mainstream B2B markets.
In other words, certification strategies appear to align with perceived customer expectations: systemic standards for larger, complex organizations and selective product-level certifications for markets where traceability and eco-labeling drive purchasing decisions.
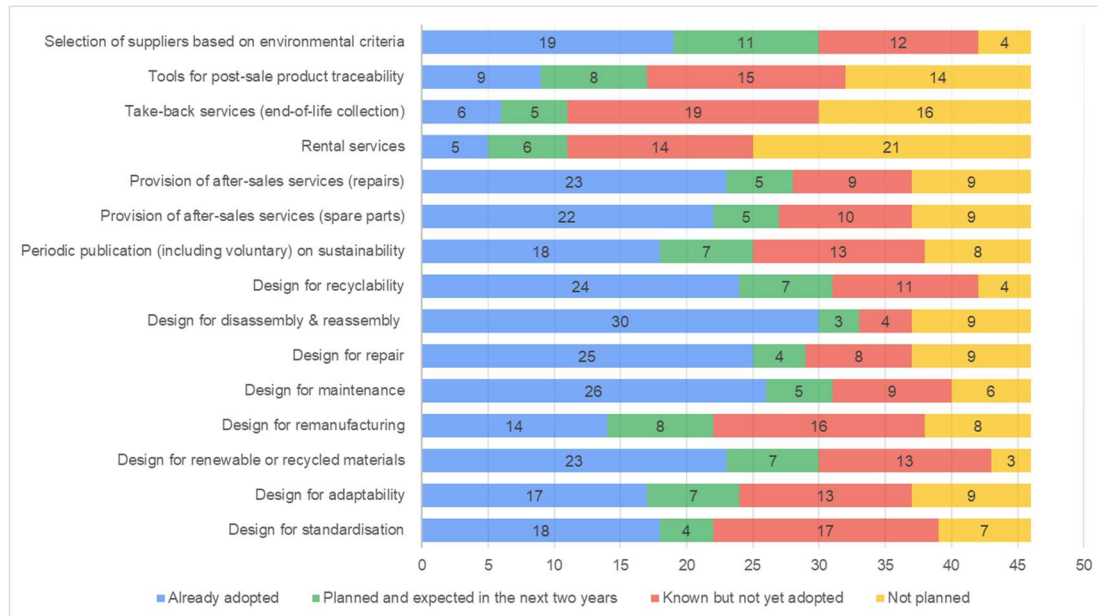
3. Eco-design practices

Figure 4. Analysis of ECO-design practices.

Top Adopted Circular Design Practices

Among the implemented circular design strategies, *design for disassembly and reassembly* stands out as the leading practice, with 65.2% of companies already adopting it. This approach ensures that products can be easily taken apart and reassembled, facilitating repair, reuse, and recycling.
Closely following is *design for maintenance*, adopted by 56.5% of respondents, which focuses on enabling regular upkeep and care throughout the product's lifecycle. Similarly, *design for repair* has been embraced by 54.3% of companies.
Another significant practice is *design for recyclability*, reported by 52.2% of respondents, aiming to simplify material recovery at the end of a product's life. Finally, *design for renewable or recycled materials* is also gaining traction, with 50% adoption, reflecting a growing commitment to integrating sustainable resources into production processes.

Top Adopted Circular Services & Practices

On the services side, companies are increasingly offering *after-sales repair services*, with 50% adoption, to address malfunctions and extend product life without resorting to full replacement. Similarly, the *provision of spare parts* is a common practice, adopted by 47.8% of respondents, ensuring customers can replace worn or damaged components easily.
Sustainability considerations are also influencing supply chain decisions: 41.3% of companies select suppliers based on environmental criteria, such as certifications or reduced ecological impact.

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Furthermore, 39.1% of respondents voluntarily publish *sustainability reports or communications*, signalling an increased commitment to environmental and social responsibility.

Lastly, while less common, tools for post-sale product traceability are being implemented by 19.6% of companies, enabling tracking for maintenance, collection, or environmental impact assessment.

Overall, there is no statistically significant correlation between the adoption of eco-design tools and either company size or customer type.

Size and Market Orientation Dynamics

From a specific perspective, the data reveals that larger companies are significantly more likely to adopt advanced eco-design practices and related services.

Practices such as design for disassembly & reassembly, design for maintenance, and design for recyclability show the highest adoption rates overall, and their prevalence increases with company size. This suggests that as organizations grow, they tend to embed circularity principles more systematically into product development. Larger firms often have the resources and technical capacity to implement these design strategies, which require engineering expertise, supply chain coordination, and long-term planning.

Similarly, after-sales services, including spare parts provision, repair services, and take-back programs, are associated with size. These services demand logistical infrastructure and customer support systems that smaller firms may find challenging to maintain. The trend underscores that bigger companies not only have the capability to absorb the operational costs of circular services but also face greater market and regulatory pressure to demonstrate product longevity and end-of-life responsibility.

Market orientation becomes relevant only when individual tools are examined. Companies serving end consumers tend to prioritize visible product-level attributes, such as recyclability and renewable materials, over systemic services like traceability tools or supplier screening. This reflects the fact that consumer-facing firms often emphasize tangible sustainability features that resonate with buyers, whereas B2B-oriented companies show higher adoption of practices that signal reliability and compliance, such as design for standardization and supplier selection based on environmental criteria. These elements are critical in business relationships where clients demand evidence of robust sustainability integration.

Conversely, post-sale traceability tools and take-back services exhibit the strongest variation by customer segment, with mixed-market firms leading adoption. This may indicate that companies operating across channels perceive greater reputational and compliance benefits from offering transparent lifecycle management. In contrast, firms focused exclusively on B2C, or public administration show lower engagement with these complex systems, possibly due to cost constraints or limited perceived demand.

In other words, eco-design strategies align with both organizational capacity and perceived customer expectations.

4. Knowledge of EU regulations

Highlights

The review of responses on EU regulatory alignment shows marked differences between regulations already in force and those still on standby.
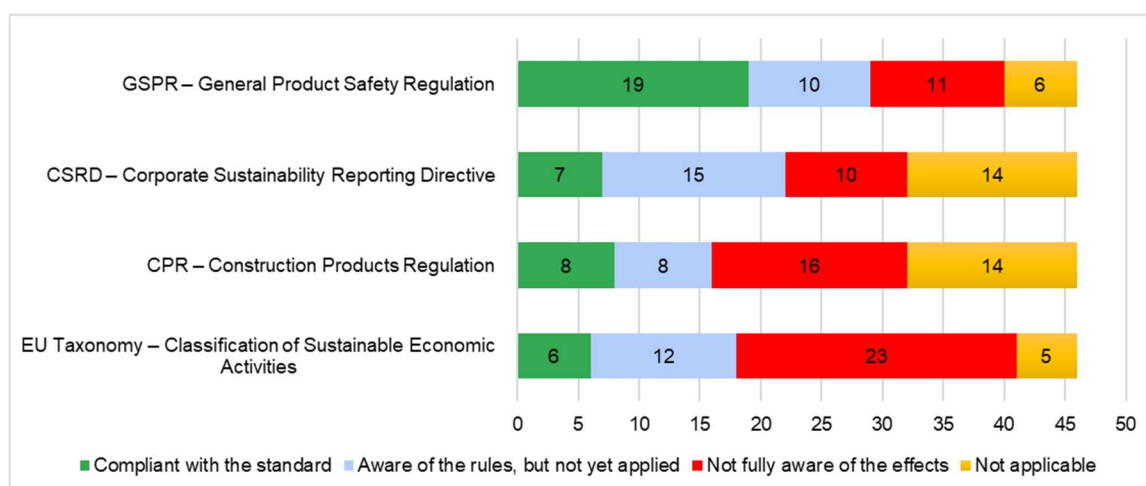

Figure 5. Analysis of knowledge of EU regulations.

General Product Safety Regulation (GPSR) emerges as the most integrated, with 47.5%[5] compliant and 25% aware. This reflects its nature as a long-standing requirement, where integration into existing product safety processes is relatively straightforward.

Compliance with the Construction Products Regulation (CPR) is lower at 25%, indicating sector-specific challenges and slower progress in aligning with regulatory expectations. Finally, the Corporate Sustainability Reporting Directive (CSRD) ranks lowest among the top five, with only 21.9% compliance. This aligns with its recent introduction and inherent complexity, as companies are likely to still in the early stages of adapting their reporting frameworks to meet the directive's requirements.

EU Taxonomy emerges as one of the least integrated EU sustainability frameworks, with companies primarily reporting awareness rather than actual compliance and the high share (53.6%) of firms declaring unawareness.

By contrast, Packaging and Packaging Waste Regulation (PPWR), Ecodesign for Sustainable Products Regulation (ESPR), and European Union Regulation on Deforestation (EUDR) are still in a preparatory phase. For these, compliance cannot yet be claimed because key obligations depend on delegated acts or postponed application dates.

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[5] The reported percentages refer only to companies for which the regulation is applicable and therefore exclude all respondents who selected 'not applicable'
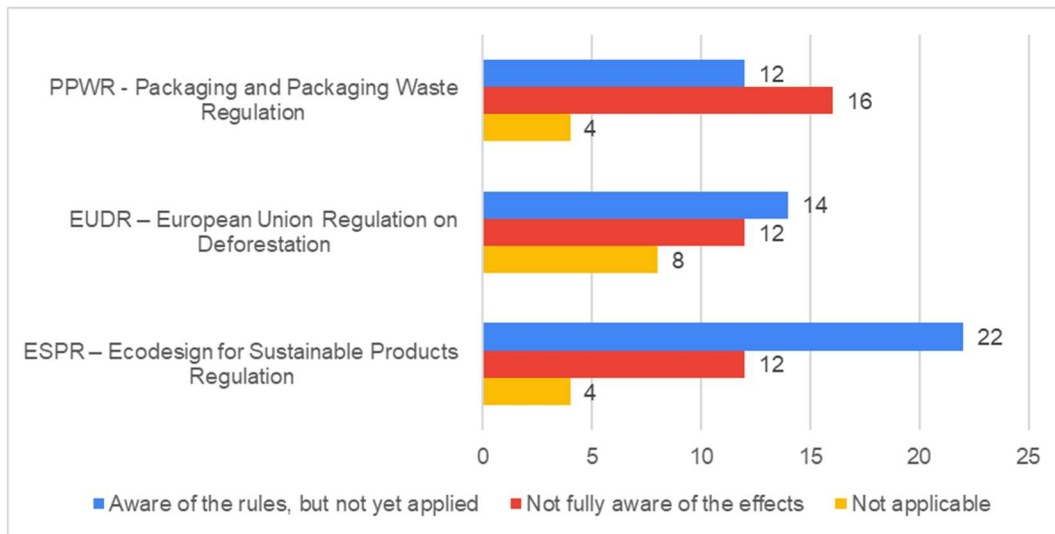
Figure 6. Analysis of EU Regulations in standby.

EUDR readiness (Aware + Not fully aware) is 76.5% overall, with 23.5% not applicable. The double postponement (application now Dec 30, 2026, for medium/large and Jun 30, 2027, for micro/small) and simplification of obligations have clearly dampened urgency.

ESPR shows 89.5% readiness overall and 10.5% not applicable. Underlining its strategic importance for circular design and the future Digital Product Passport.

PPWR readiness is 87.5% overall, with 12.5% not applicable, given that general application starts in August 2026 and several implementing elements will phase in thereafter.
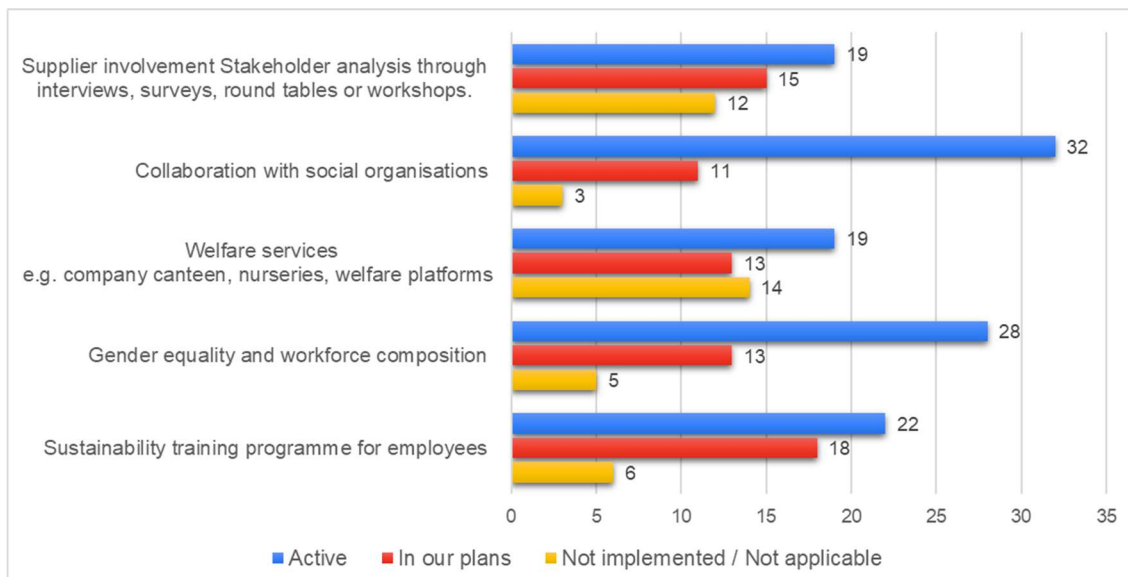
5. ESG Training and Engagement

Figure 7. Analysis ESG training and engagement.

Highlights

Collaboration with social organizations is the most adopted ESG engagement action (69.6%), indicating strong interest in social impact initiatives among companies.

Sustainability training programs are adopted by nearly half of respondents (47.8%), suggesting room for improvement in internal capacity-building and awareness initiatives.

Supplier involvement is the least adopted (41.3%), highlighting a gap in supply chain engagement for sustainability and the need for stronger supplier collaboration strategies.

For public administration customers, there is a slight positive trend toward higher ESG engagement scores, but this relationship is not statistically significant. This suggests that while serving public administration may encourage ESG actions, the effect is weak and requires further investigation.

6. Recommendations

Based on the survey findings, several strategic actions are recommended to strengthen sustainability practices across the sector.

First, it is essential to **increase awareness campaigns on sustainability standards**, with particular emphasis on ISO 14006 and Life Cycle Assessment (LCA) methodologies. These initiatives will help companies better understand and implement recognized frameworks for environmental management.

In addition, capacity-building programs should be developed for micro and small enterprises to help them overcome resource limitations that often hinder progress in sustainability. Clear guidance and targeted training on emerging EU regulations that are not yet fully applicable is essential. This includes the Corporate Sustainability Reporting Directive (CSRD), which faces delayed timelines and reduced scope, and the EU Deforestation Regulation (EUDR), where readiness is high, but urgency has declined following the double postponement. Furthermore, the Ecodesign for Sustainable Products Regulation (ESPR), although not yet enforceable, requires early preparation for future obligations such as circular design criteria and Digital Product Passport implementation. Supporting companies with practical tools, templates, and early pilots for these standby regulations will accelerate readiness and ensure smooth compliance once delegated acts and application dates take effect.

Collaboration is another key driver of change. Companies should be encouraged to work closely with suppliers to integrate environmental criteria into procurement decisions, ensuring sustainability is embedded throughout the value chain. At the same time, promoting ESG engagement through partnerships with social organizations and internal sustainability training can foster a culture of responsibility and inclusivity.

Innovation remains central to advancing circularity. Therefore, it is recommended to support innovation in circular design practices, including design for recyclability and the use of renewable materials. Finally, to accelerate adoption, facilitating access to financial incentives and technical assistance will be crucial for companies transitioning to circular business models.

7. Conclusions

The FurnSERVICE survey provides a timely snapshot of the EU furniture industry's maturity in adopting circular business models and servitization-related practices. Based on 46 responses across seven countries and a 38-question instrument, the findings indicate a sector that is **progressively integrating circular design principles** yet still faces **structural barriers** to scaling servitization through robust standards, data, and supply-chain governance.

A first key message is the **asymmetry between "design readiness" and "system readiness."** On the one hand, many firms report widespread uptake of eco-design approaches that enable product longevity and circular flows—particularly design for disassembly/reassembly (65.2%), maintenance (56.5%), repair (54.3) and recyclability (52.2%). In parallel, service-oriented practices that extend product life—after-sales repair (50%) and spare-parts provision (47.8%)—are already present in a substantial share of companies, suggesting a solid operational base for circular service offerings.

On the other hand, the adoption of formal sustainability standards remains at an **early stage**, with low average implementation (19.4%), moderate future planning (27.1%), and a persistently high share of companies reporting unawareness/irrelevance/not applicability (53.6%). This gap is particularly evident for tools that underpin measurable and scalable servitization models (e.g., LCA and environmental management systems).

A second message concerns **uneven capacity across firm sizes**. Larger companies are more likely to formalize sustainability through structured frameworks (notably ISO 14001) and complex certifications that require traceability and verified data, while micro and small enterprises appear more exposed to awareness gaps and resource constraints. This pattern points to the need for targeted support measures that translate policy ambitions into actionable pathways for SMEs, ensuring that the transition does not amplify competitiveness gaps within the single market.

Third, the survey highlights a regulatory landscape where companies differentiate between rules already embedded in compliance routines and those still in a preparatory phase. While GPSR shows comparatively higher integration, more demanding reporting obligations (e.g., CSRD) remain less mature. At the same time, high "readiness" signals for forthcoming frameworks (e.g., ESPR and the Digital Product Passport perspective) coexist with reduced urgency where timelines have shifted (e.g., EUDR postponements), reinforcing the importance of early guidance, pilots, and implementation support to avoid last-minute compliance costs and fragmented uptake.

Finally, results on ESG engagement suggest a positive foundation for a worker-centred transition—especially through collaboration with social organisations (69.6%)—but also show clear room to strengthen internal skills development and supply-chain involvement, which are essential to operationalise servitization and circularity at scale.

Overall, the evidence supports a clear conclusion: **the EU furniture sector is moving toward circularity, but scaling servitization requires enabling conditions**—notably greater awareness of standards, SME-focused capacity building, stronger supplier engagement, and practical implementation tools aligned with evolving EU requirements. These priorities can be effectively advanced through social dialogue and coordinated actions among EU institutions, social partners,

and industry stakeholders, to accelerate adoption while safeguarding competitiveness and quality employment in the transition to a circular economy.

8. Annex

Annex 1 – Survey Script

FurnSERVICE

ambit
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