Posh Prams All Round As Britain’s Babies Ride High

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Far from being simply a functional way of transporting your child, the pushchair and pram market has become big business.

Indeed, proving a buggy can never be too posh to push, new research from Mintel finds that despite economic difficulties, sales of prams and pushchairs* have increased a stylish 13% - or Â£26 million - in the past two years alone and now accounts for 30% of all spend on baby and nursery equipment.

Last year, Britain's mums and dads splashed out a whopping Â£225 million on these must-have vehicles.

And no new arrival is quite complete without a perfectly co-ordinated nursery. Accounting for 18% of the market, the research finds spend on nursery furniture grew by 10% between 2008 and 2010 to reach Â£137 million. Growth has been helped by the trend to buy a co-ordinated set of furniture and accessories for a nursery, rather than simply a cot.

But it's not just the traditional items filling the nursery these days, it seems technology plays an important part too. Indeed, nearly one fifth (17%) of parents of children aged 0-4 years have purchased a TV for their baby or child since they were born to go in their bedroom, rising to 28% of parents aged 15-24.

Jane Westgarth, Senior Consumer Analyst at Mintel, said:
â€œStyle and design have been key factors in helping to drive growth in spending on baby and nursery goods. Celebrities with high-end brand-name prams for their offspring have helped to popularise stylish and funky designs for wheeled goods and some brands have managed to acquire an almost cult status in the baby world and command high prices for the image-conscious parent in the park. Within the sector, prams that incorporate a clip-on infant car seat are currently performing particularly well because of the convenience of use and the lack of disturbance when moving the child in and out of the car - high on the list of priorities for every sleep deprived mother!â€•

Overall, consumer spending on baby and nursery equipment grew by a third between 2005 and 2010 to reach Â£753 million - amounting to Â£195 spent in 2010 for every child aged between 0 and 4 years of age in the UK, with much of the spending lavished on the first child.

And it seems doting grandparents and the extended family play a huge role in funding the nation's nursery spending spree. Today, more than four in ten (42%) parents of under 4s admit grandparents and close relatives have contributed to the cost of buying baby and nursery equipment.

Meanwhile, sales of car seats (making up 16% of the market) have grown by 12% in the last two years (2008-10) to reach Â£120 million. The rise in demand for the newer Isofix seats and bases has played a large part in driving up typical spending, while additional safety demands, such as better side impact protection and high-back seats being required for older children up to age 12, will help to continue the upwards price trend.

â€œWhen parents take their children out and about, the items they choose to transport their infants say a lot about their sense of style and quality. The car seat market has also been a strong performer. The main difference has been in spending on safer seats with side-impact protection, as well as seats that need an Isofix base. The base alone can cost Â£80 or more and this has helped boost the market. Volumes are helped by the tendency for parents to buy more than one seat for each child, especially if they own two cars, or to equip child minders or grandparents with a seat for their own use.â€• Jane continues.

The highest growth area has been in safety equipment and monitors (accounting for 9% of the market) where sales have increased by a very safe 26%, up from Â£57 million in 2008 to Â£72 million in 2010. Monitors have been performing particularly strongly, helped by innovative, feature-rich products with higher average prices.

But while the market for nursery equipment is thriving, hand-me-downs and second-hand items are an important source of baby and nursery goods. Although nothing is too much for doting parents, as many as three in ten mums and dads are happy to buy second-hand to save money and nearly four in ten (37%) borrowed some items from friends or family.

Meanwhile, once a must for every busy mum, playpens are now the least purchased nursery item - just 24% of mums and dads having splashed out on one.

But things may not be quite as sweet in the future for the nursery equipment market, over the next five years, the number of babies born each year is forecast to stabilise to around 780,000 per year.

â€œThe potential slow down in birth rate, coupled with greater consumer caution caused by the economic uncertainty could result a slowdown in volume and value growth for the baby and nursery equipment sector as a whole moving forward.â€• Jane concludes.

Source: Mintel Oxygen Reports

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