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The high price of premium

Hollandia tops out with \$50,000 beds

By Karl Kunkel

Last year, one of the headline grabbers at the High Point Market was a \$24,000 mattress set by Magniflex, a manufacturer of high-end foam beds based in Florence, Italy. The visco-elastic mattress—enrobed in 22-carat gold-thread ticking—garnered plenty of attention from retailers and the media.

Earlier this year, Swedish bedding maker Hastens doubled the height of the bar, offering a \$49,500 bed made of exotic materials like horsehair, flax and wool and dressed in a jaunty blue-and-white checked ticking. As with Magniflex's gold bed, Hasten's Vividus caused quite a stir, earning the company a place in a national TV news segment on luxurious bedding and plenty of ink in newspapers and magazines.

Not to be outdone, in March Israel's Hollandia opened its first U.S. retail store in King of Prussia, Pa., where it sells beds for as much as \$50,000. At the grand opening it gave away a fur-covered, heart-shaped adjustable bed valued at \$20,000.

Though most consumers can only dream of buying ultra-high-end sets like these, bedding manufacturers are reminded that they can be worth making—and promoting—because they generate major publicity, if not volume.

"It fills a void when someone asks for the most expensive thing you have, which translates as asking about the very best quality you have," says Henry Burney, national sales director for WellRest Inc., Magniflex's U.S. distributor.

Paying the price

What makes these beds so expensive? That's the first question out of most consumers' mouths. In general, the



Fit for a queen
High-end manufacturer Hypnos has long touted the fact that it has earned the right to make bedding for the British royal family.



Price points
Kingsdown, maker of BodyDiagnostics luxury beds, says the key price point at retail for its mattress sets is about \$2,000.

beds start with premium-quality natural materials and are handcrafted with great attention to detail. But whether all this translates into a better night's sleep might depend on how much the customer frets about paying the bill.

Hypnos customers don't fret, says Adrian Jones, director of sales.

"The type of client that goes for our bedding is typically the more affluent one," Jones says. "These are people looking for something that is totally unique. They expect the best in everything. That's their focus in life. They may drive multiple Mercedes or a Rolls-Royce."

Hypnos is a British bedding manufacturer with sales worldwide. In the United States, its beds are manufactured in Franklin, Tenn., through an arrangement with Jamison Bedding.

Its current top model is the Majesty, with a suggested retail price of \$17,000 for a queen. The two-sided, handcrafted bed with two 2-inch duvets, uses only all-natural materials such as silk, lambs' wool and cashmere. It's dressed in a gold-and-silver damask ticking. A king-size set contains more than 6,000 springs.

Part of Hypnos' mystique is its royal warrant program. Through it, Hypnos beds are entitled to carry the English royal crest, which only certain products are authorized to do.

Hypnos beds are sold primarily through interior designers and at luxury-level home furnishings stores where a customer doesn't blink at dropping \$100,000 on a dining room suite. About 60% of Hypnos' sales are generated through the interior design trade, so much of the company's marketing targets them, Jones says.

Comfor-Pedic, a foam bed manufacturer headquartered in Fife, Wash., was already offering a \$5,000 Nuvo model but took its line even higher earlier this year with its \$6,000 Silk Bed. The foam mattress is covered with a shimmering black 100% silk ticking.

"Every upper-end dealer has picked it up," President Jack Squires says.

Entry-level luxury

But Magniflex and many of the other companies serving the ultra-luxury

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market know that more realistically priced beds are the real key to market penetration, volume and name recognition. So they offer beds still considered high-end, but with more consumer-friendly price tags. In general, premium beds are considered to start at suggested retail prices of \$1,000. In 2005, such beds accounted for 21% of bedding sales, according to the International Sleep Products Association.

During the winter Las Vegas Market, Magniflex introduced the \$4,000 Magnifico with a no-tool foundation and dry-cleanable silver ticking.

“Quite a few retailers are asking us just for our top-of-the-line models,” Burney says. “When you hit that mid-range price of \$1,300, you are in with a lot of other people. How do you stand out from the others?”

Mebane, N.C.-based Kingsdown is often mentioned in the same sentence with “luxury.” Though Kingsdown offers some beds with suggested retail prices of as much as

\$7,000, most of its volume is nearer the \$2,000 price point, according to Jim Ross, Kingsdown vice president of marketing.

Its newest BodyDiagnostics beds are handled as upper-end products and placed in specialty bedding shops and tony furniture stores.

“We don’t do national advertising so all the contact with the consumer is through the retailer,” Ross says. “We base all of our in-store, point-of-purchase materials to target that consumer.”

When Simmons introduced its luxury Beautyrest Black line last year, it was targeting affluent consumers who wanted the ultimate in

sleep and were willing to pay suggested retail prices of \$1,999 to \$5,400 for a queen size. But the company made a discovery.

“We’ve found that middle-class consumers will spend a significant amount of money for a demonstrably different sleep experience, as well,” says Mark Owen, Beautyrest Black brand director. “Middle-class consumers view Beautyrest Black bedding as an ‘attainable luxury.’ In fact, the first person to buy a Beautyrest Black bed was a package delivery person, which shows that the brand is not just for the rich—it’s for anyone who wants to pamper herself with luxury sleep.” **BT**



Good as gold This eye-catching bed from Magniflex uses 22-carat gold thread in the ticking—and carries a suggested retail price of \$24,000.