

Impact of COVID-19 on the Ceramic Market Share

From 2019 to 2021



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Objectives of the presentation



1	Introduction
2	Market structure
3	Competition (CR4, CR10, HHI)
4	Market size
5	Churn rate
6	Impact of the Covid-19
7	Interpretation of the results

Introduction

Data



Ceramic industry (2019 - 2021)

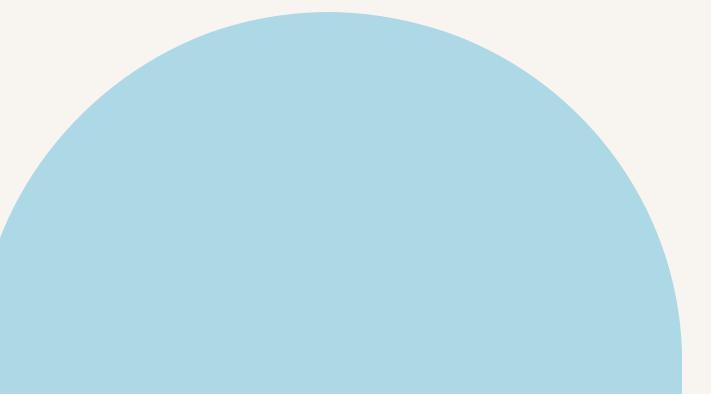
Methodology

- {
 - Criteria
 - Location of firms: Italy
 - Number of firms: <100
 - Indicators
 - CR4, CR10, HHI
 - Churn rate

Tools



Stata version 18

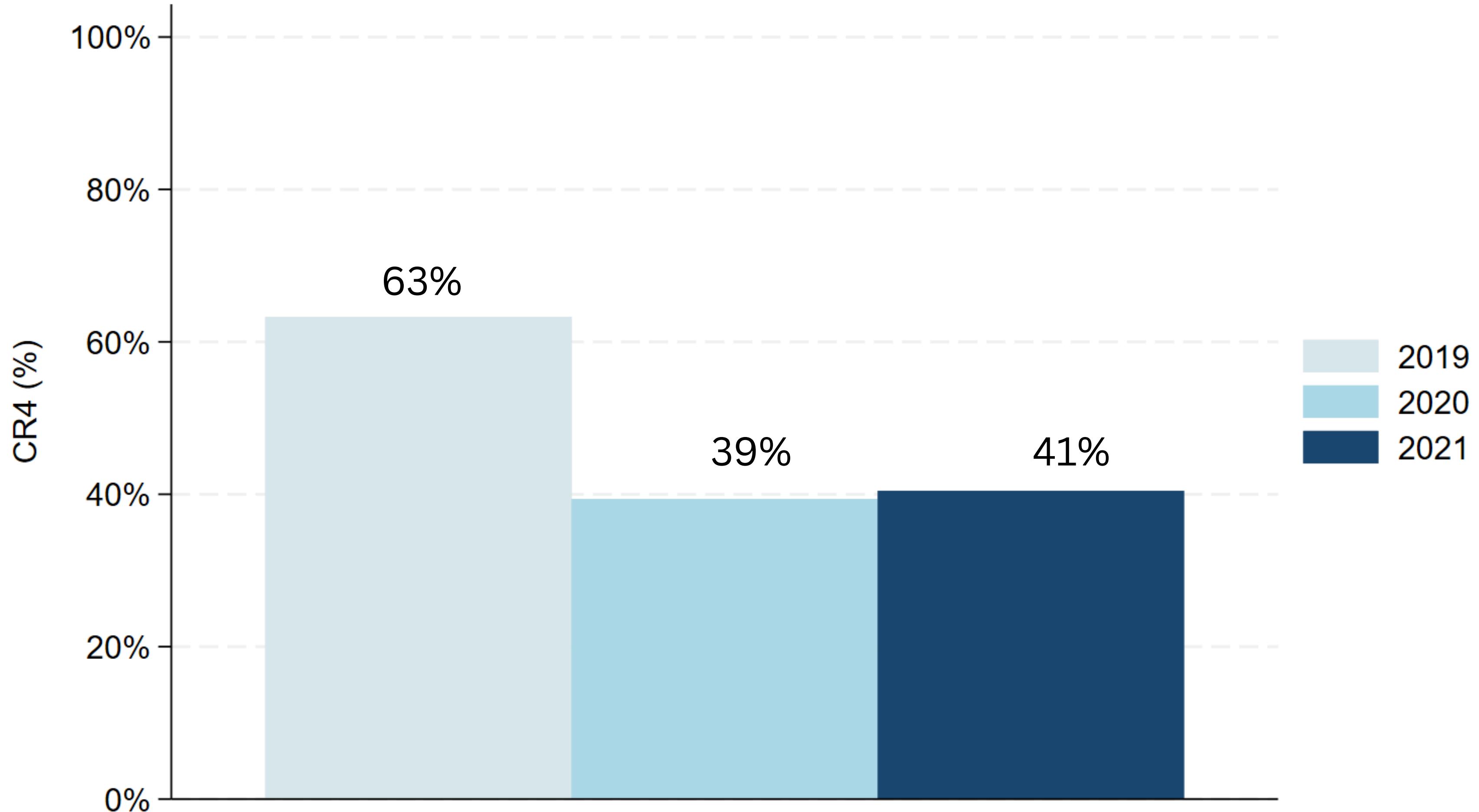


Descriptive Statistics



	2019	2020	2021
Number of firms	30	80	91
Total Revenue (thousands)	31,804 €	38,278 €	53,021 €
Average Revenue per firm (thousands)	1060 €	478 €	582 €
Nº of firms with si>1%	15	65	75

Top 4 Concentration Ratio



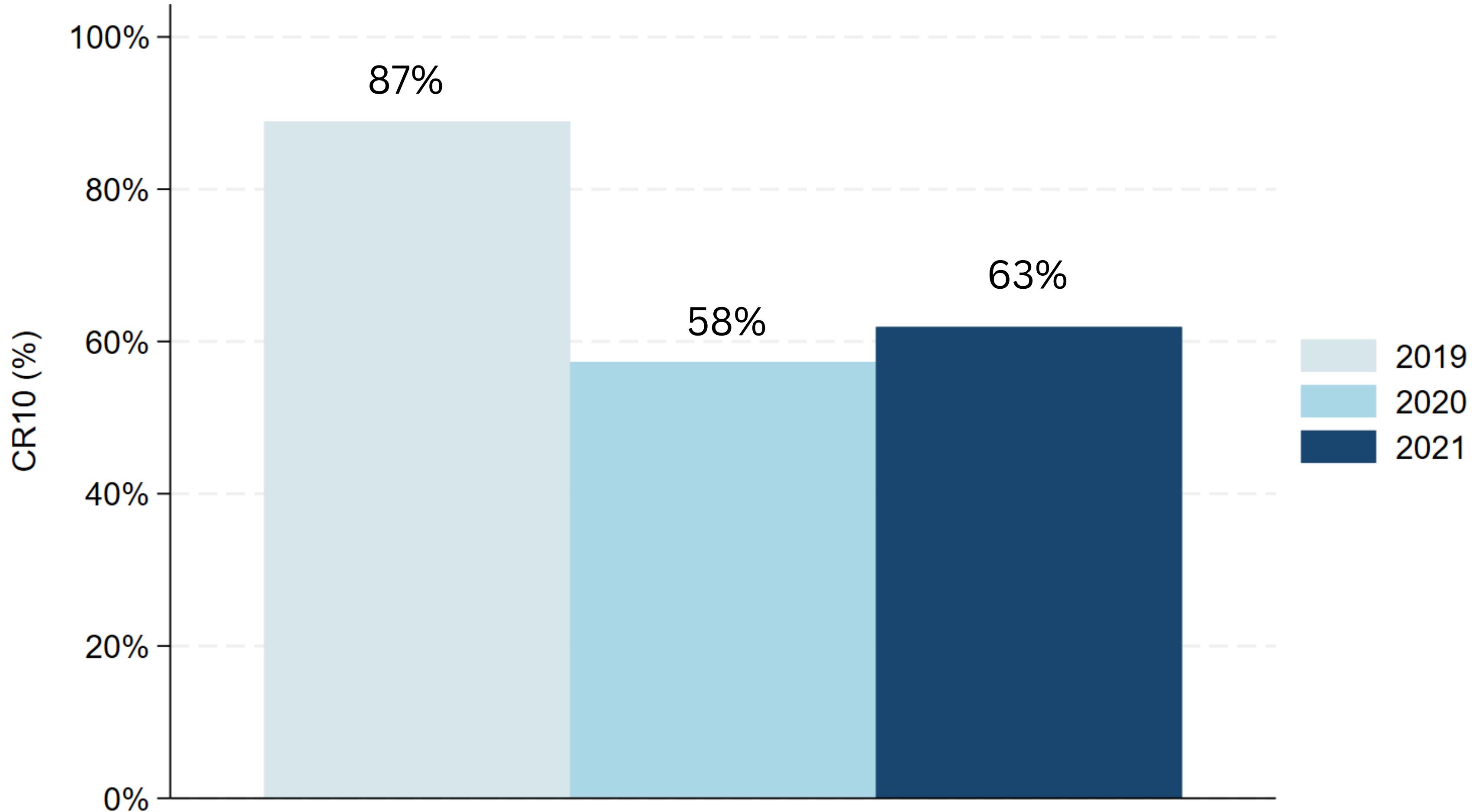
Market Share Top 4 Firms

2019		
1°	INDUSTRIA PORCELLANE	36%
2°	ORODENT	12%
3°	CERAMICHE ARCADIA	8%
4°	TAVA	7%
	TOTAL	63%

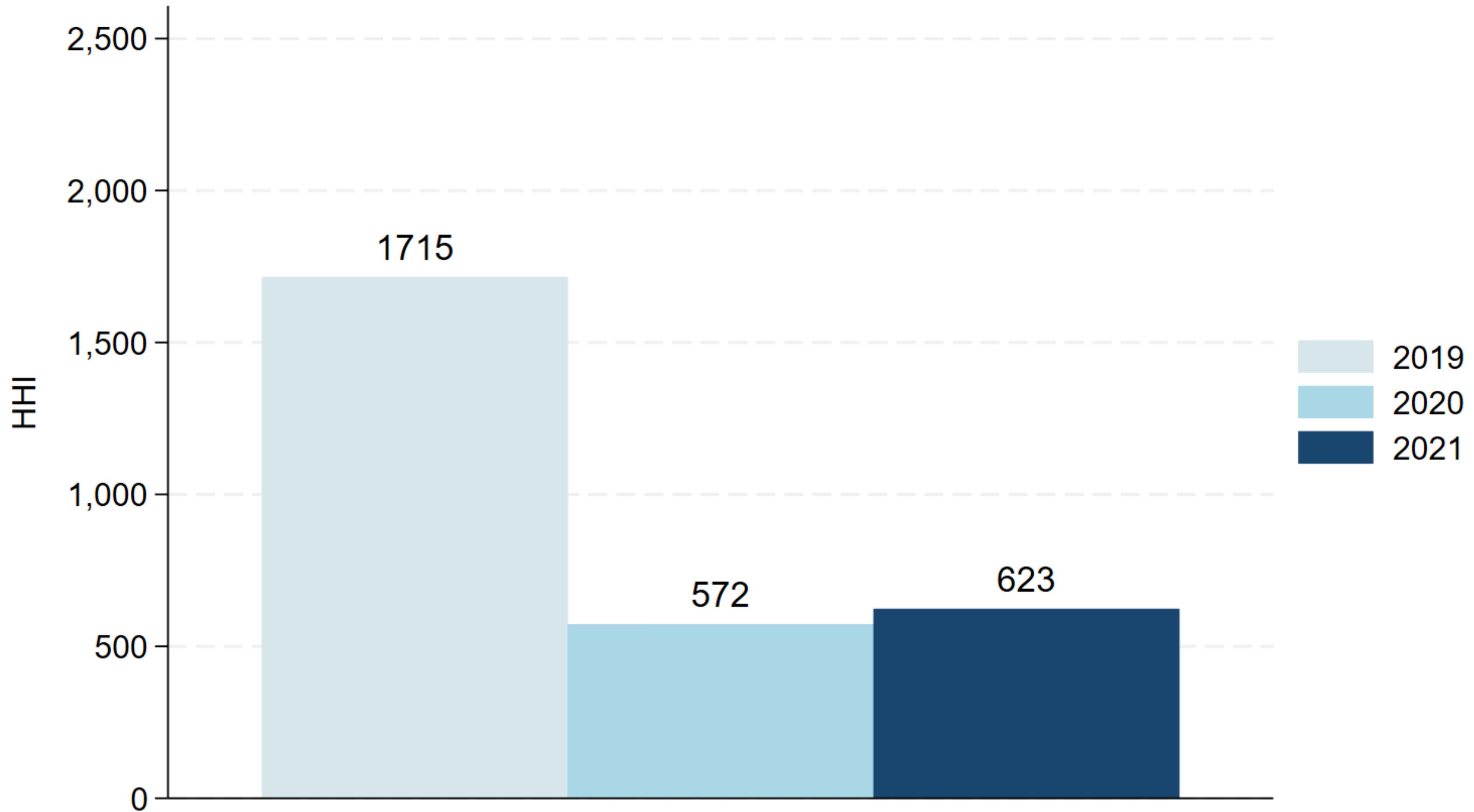
2020		
1°	INDUSTRIA PORCELLARE	18 %
2°	CERAMICHE ARCADIA	7 %
3°	ORODENT	7 %
4°	TAVA	7 %
	TOTAL	39%

2021		
1°	INDUSTRIA PORCELLANE	19%
2°	ORODENT	8%
3°	CERAMICHE ARCADIA	8%
4°	TAVA	6%
	TOTAL	41%

Top 10 Concentration Ratio



Herfindahl-Hirschman Index

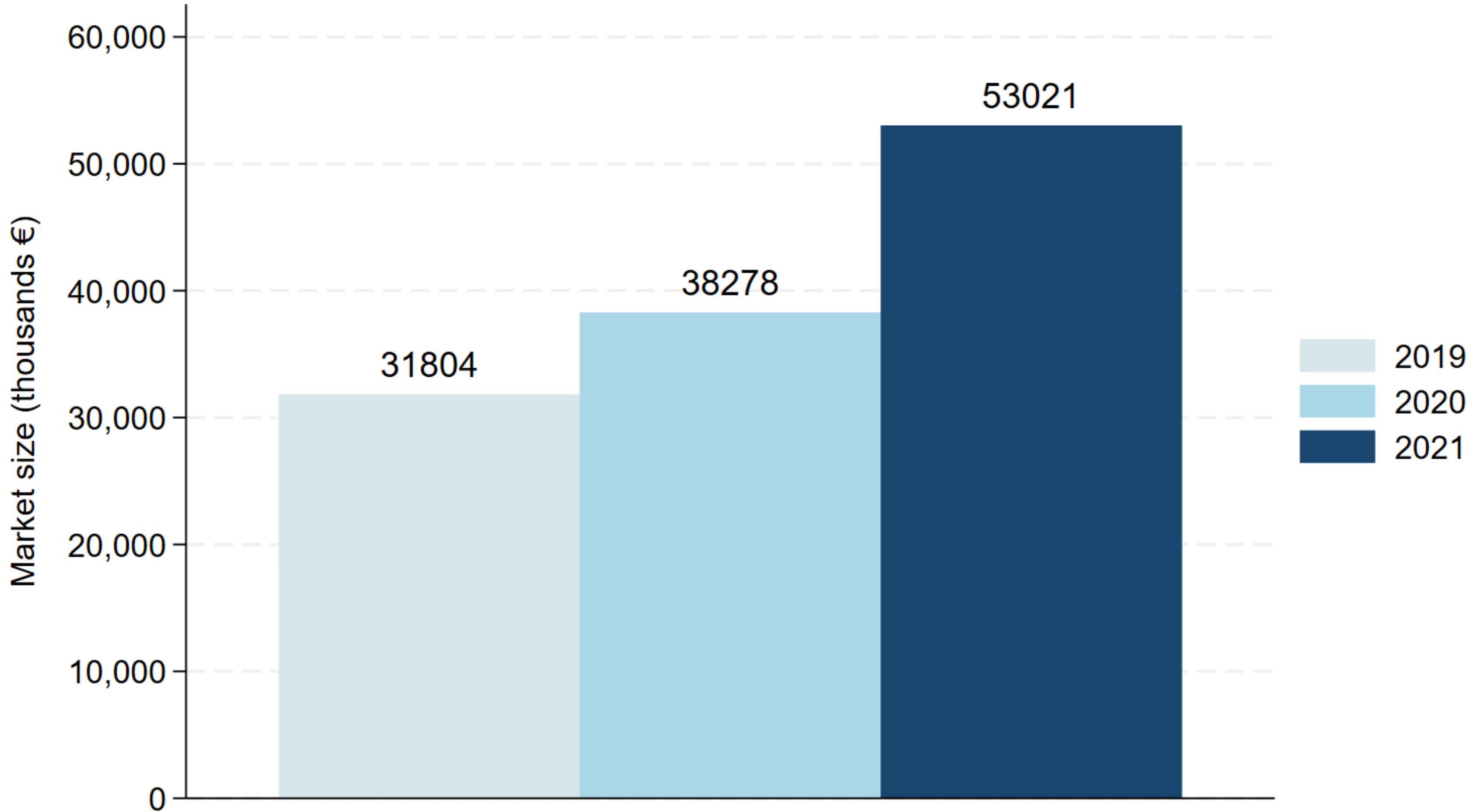


Van Dal et Al. measures

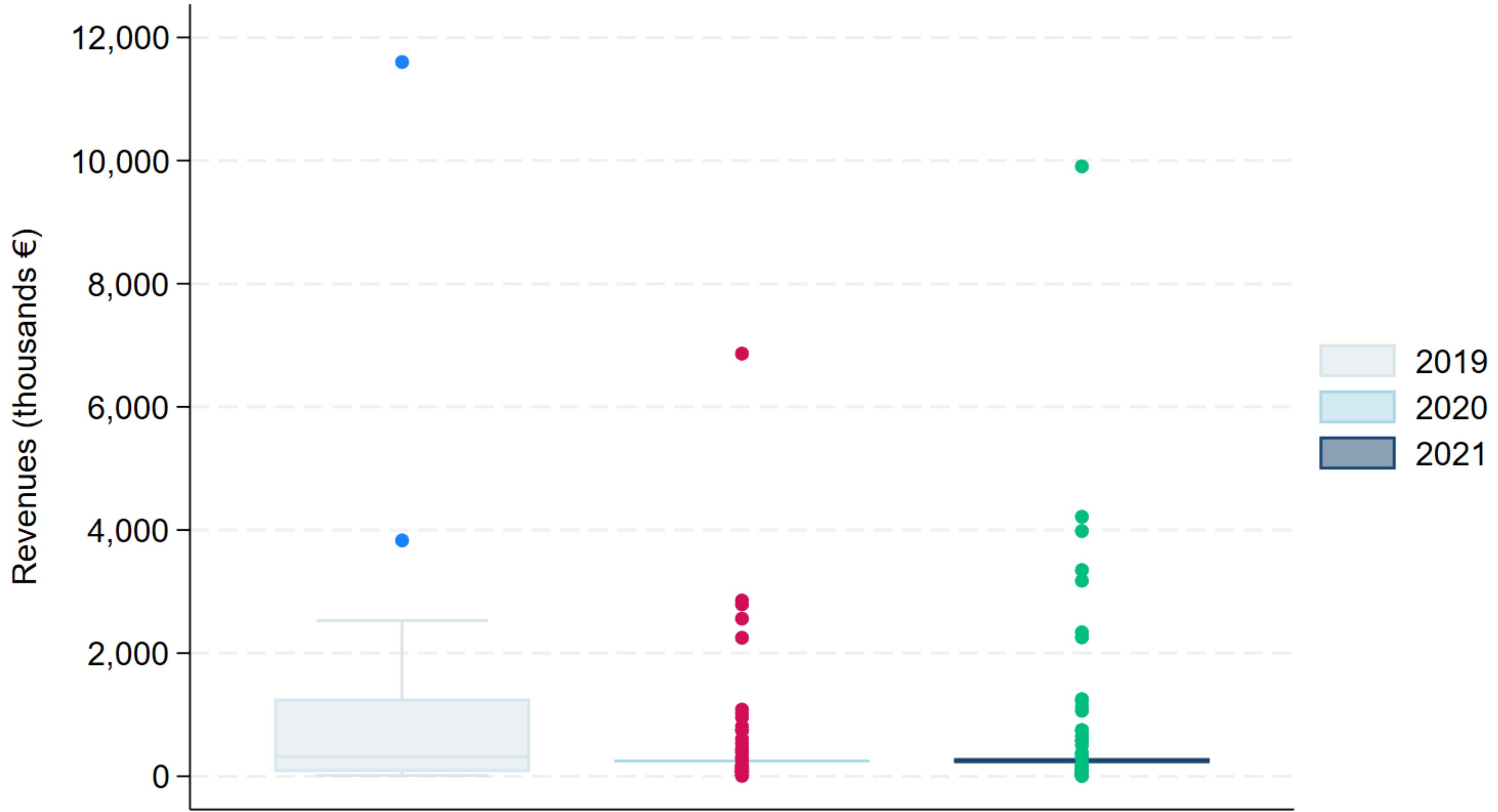
CR4	
CR4 = 0%	Perfect competition
0% < CR4 < 40%	Effective competition
40% < CR4 < 60%	Limited competition
CR4 => 60%	Dominant firms with limited competition

HHI	
HHI < 1000	Unconcentrated
1000 < HHI < 2000	Moderately concentrated
HHI > 2000	Highly concentrated

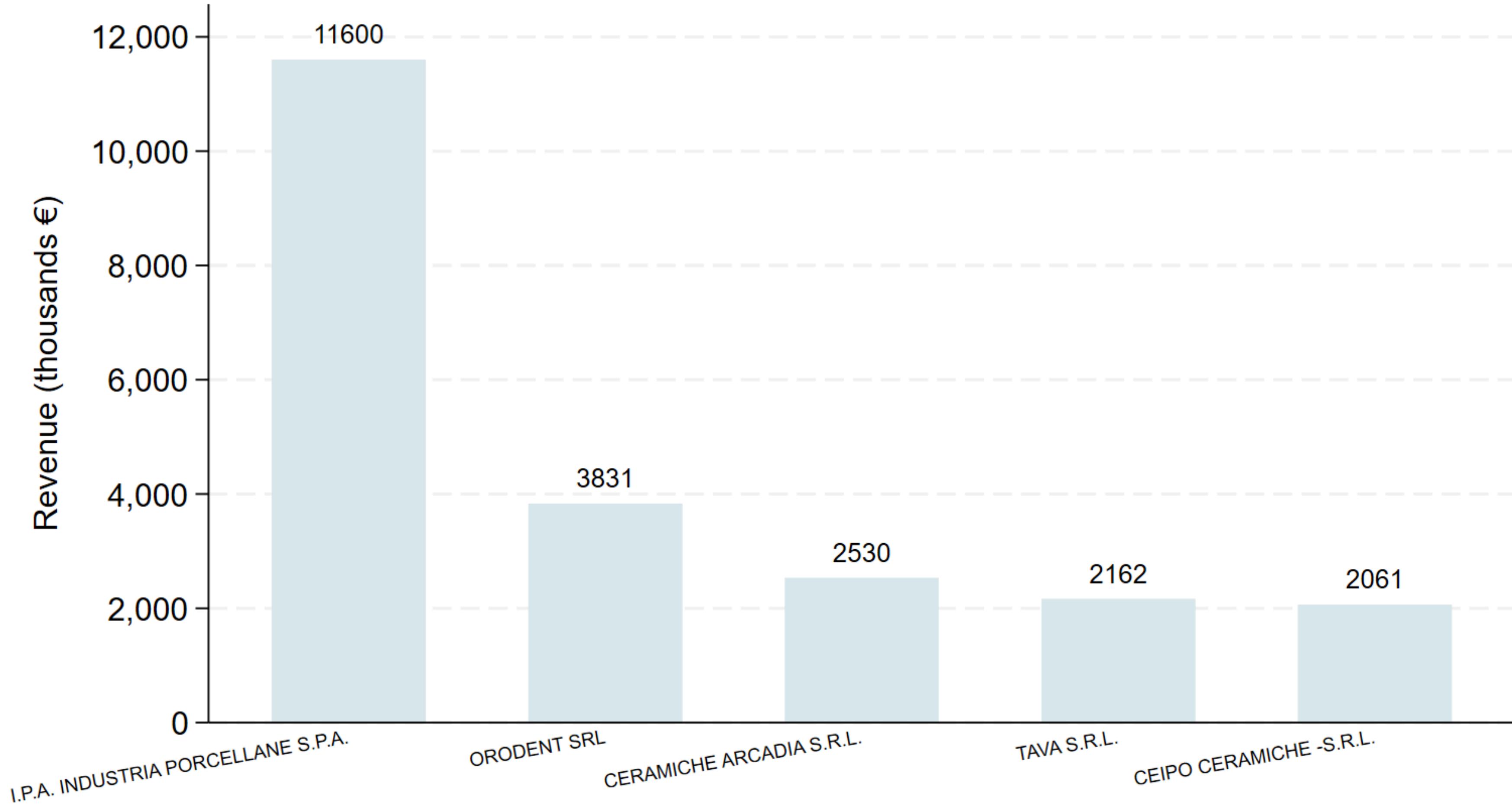
Total market size



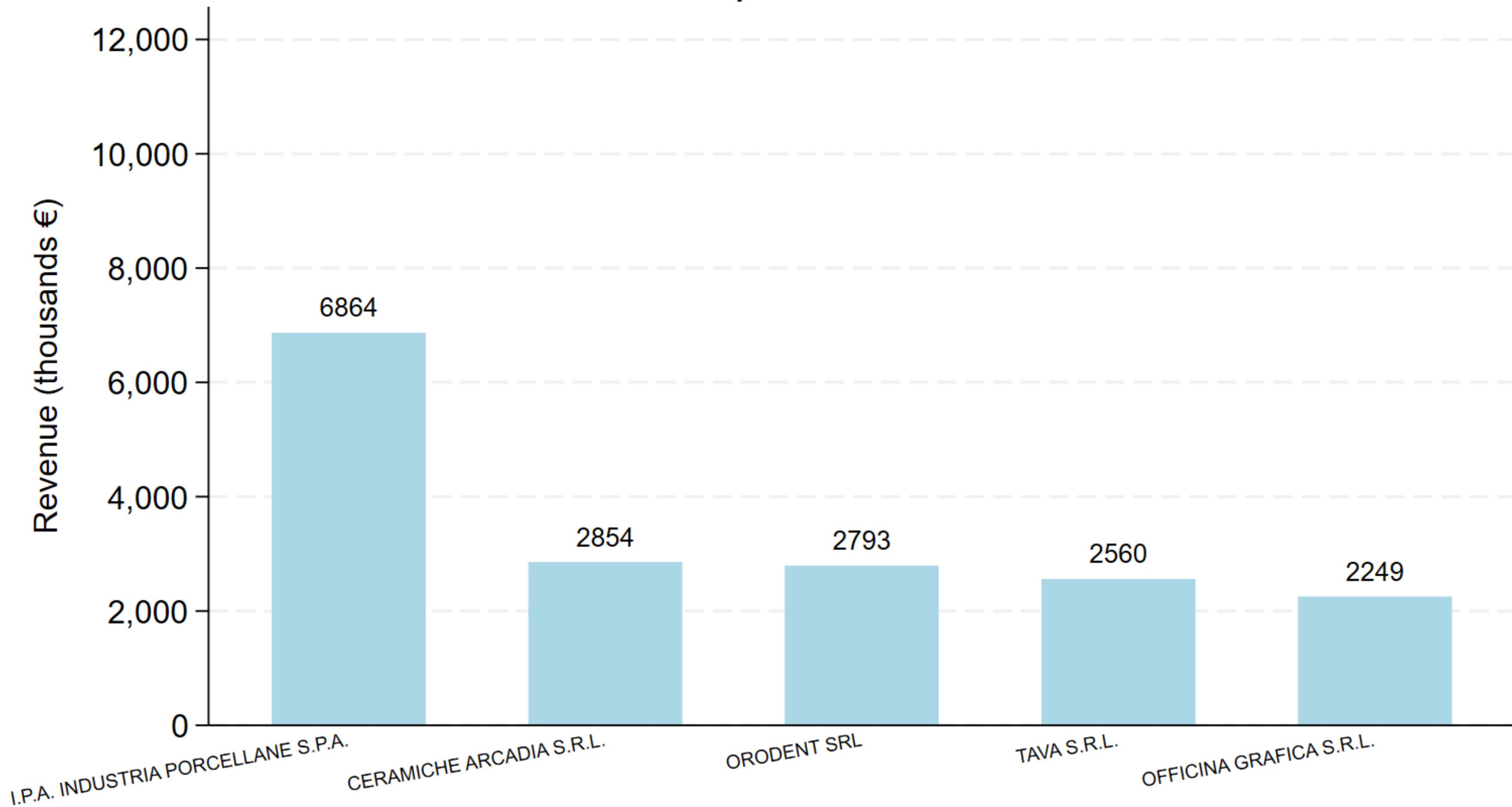
Box Plot Revenues



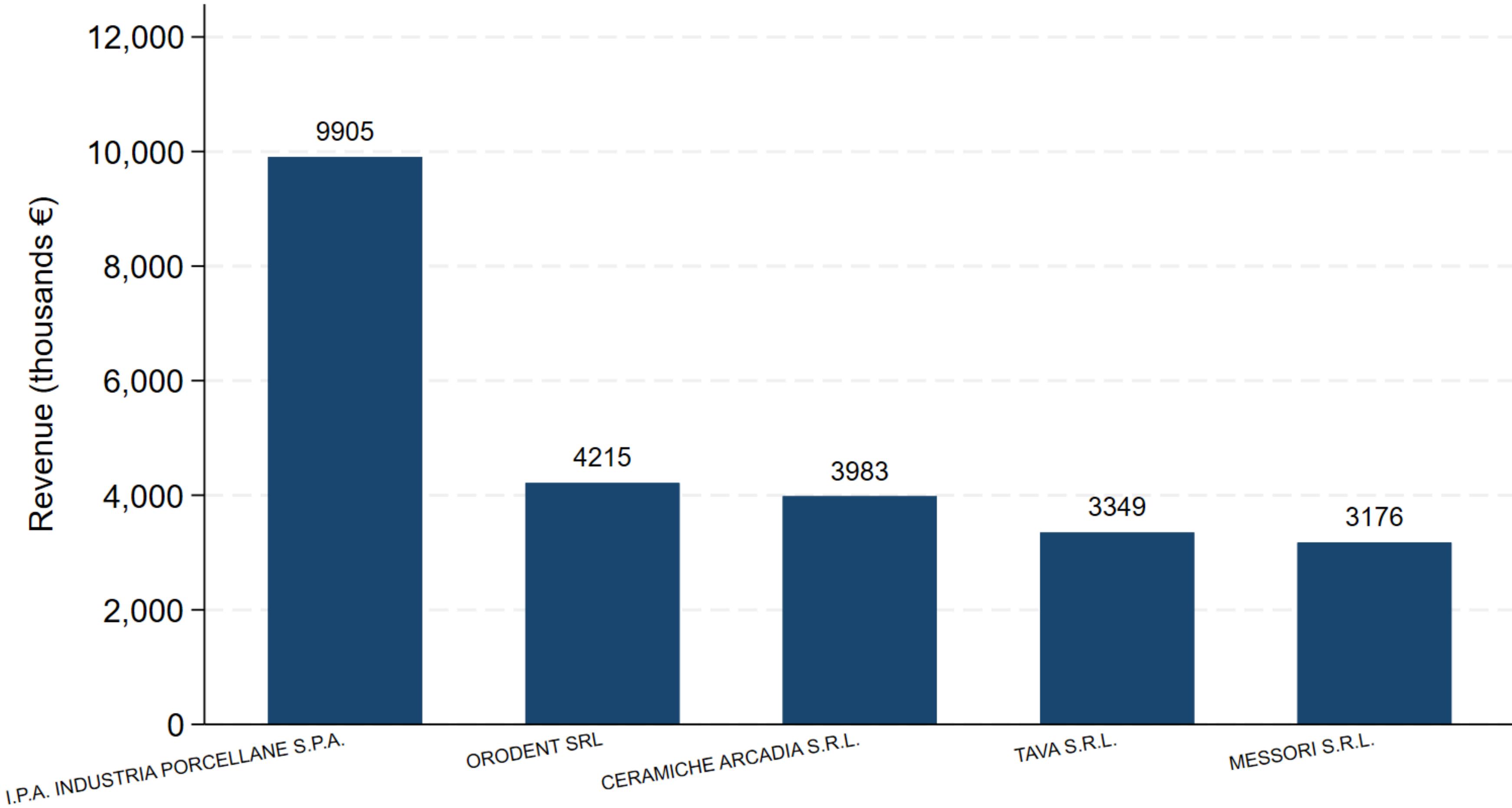
Top 5 Firms 2019



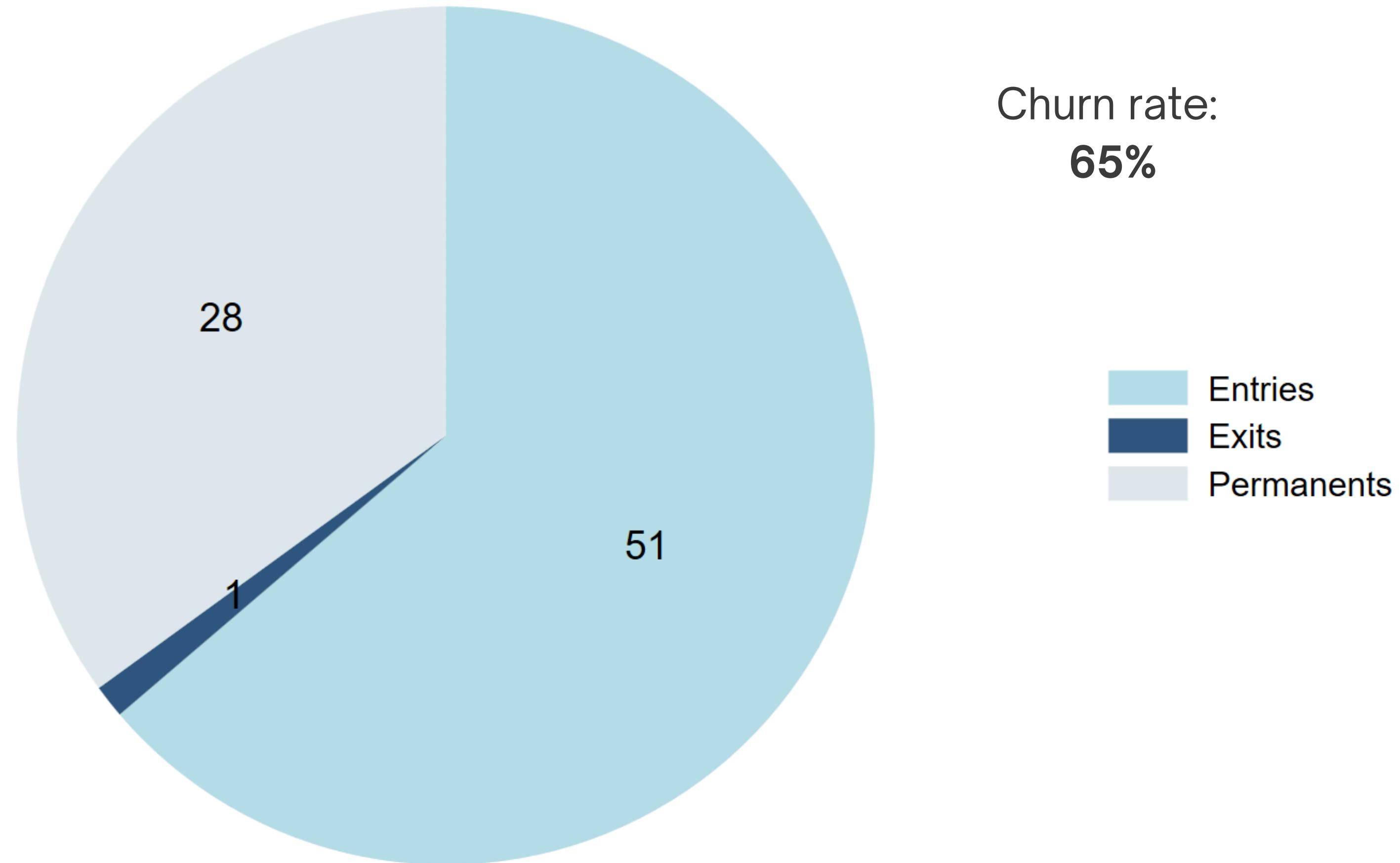
Top 5 Firms 2020



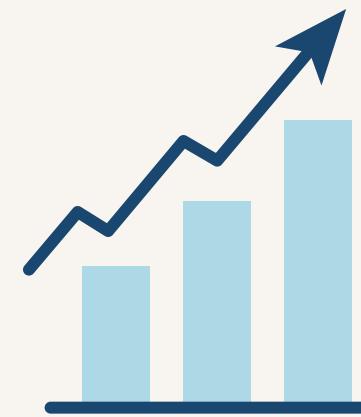
Top 5 Firms 2021



Churn Rate: Entries and Exits 2020

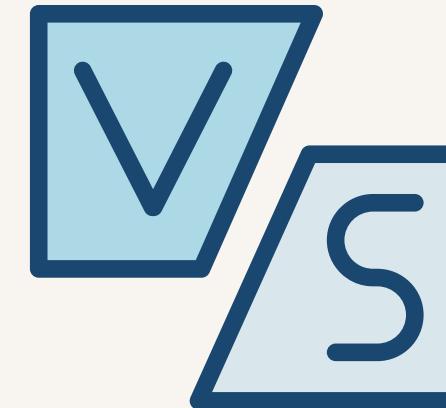


Impact of COVID-19



- The **number of companies** has more than doubled, from 30 to 80!
- **Total revenues** of this sector were not affected by the crisis.
- On average, **individual companies** suffered a decline in their revenue.
- **Competition** has increased, as CR4 and HHI have dropped.
- The **churn rate** in 2020 was 65%, with only one company exiting the market.

Conclusions



- The **4 leading companies** has remained unchanged.
- Despite COVID-19, the **market size** continued to grow and appears healthy.
- According to Van Dal et Al. measures, the market has shifted from moderate concentration and limited competition to a more unconcentrated and competitive landscape.

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Thanks for the attention!



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