

EMBASSY OF INDIA
SANTIAGO

CHILE
HOME TEXTILE MARKET SURVEY
MARCH 2025

Commissioned from Ms. Carmen Fuentealba
On behalf of the



सत्यमेव जयते

Economic Diplomacy Division
Ministry of External Affairs

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Introduction

This market survey aims to provide relevant information on the home textile market in Chile so that Indian exporters may get a deep understanding of it and may also develop and execute a successful market entry into Chile.

The survey includes quantitative information such as market size, import and export statistics, sales by distribution channel and type of product, among other data. It also contains qualitative information about companies, products, consumer profile, entry requirements, etc.

1. Market Overview

1.1 Market Size

Until the 70's, Chilean textile industry used to be very important in the internal market. In 1965, the textile sector represented almost 18% of total GDP, fulfilling about 97% of total internal demand. Textile industry used to manufacture high quality products (mainly of wool, linen and cotton), but was not efficient in terms of costs.

In the 80's, Chile started a unilateral opening process to foreign trade, decreasing dramatically duty taxes and simplifying import procedures. In the following decade, this process was reinforced with the signing of commercial agreements with several countries reducing even more duty taxes. The subsequent massive entry of textiles and textile products (mainly from Asia) caused the closure of most of local textile and garment producers, which could not compete with the low cost of imported products.

Currently, the Chilean textile sector (including textiles products and garment) is small, represent almost 0.2% of total GDP.

According to the Chilean Tax Agency ("Servicio de Impuestos Internos" or its acronym SII), in 2023 there were 1.545 companies dedicated to manufacture different types of textile

products (except garment). Their total sales in 2023 were about 10.466.066 U.F.¹ (equivalent to app. US\$ 407 million).

According to sector actors, almost 90% of home textile products are imported (mainly from Asia). There is a tiny local industry composed by small size companies that manufacture mainly premium products (i.e. bed sheets, bed spreads, tablecloths, etc.), tailored-made products (i.e. curtains) and hospital linen.

1.2 Consumers and trends

Currently in Chile, there is a wide variety of qualities, aesthetics and prices of home textiles, making them attractive and affordable to a large range of consumers. Moreover, the fast development of the e-commerce – importantly boosted by the COVID 19 pandemic– has enabling consumers to access an even larger range of products, from Chilean retailers and foreign platforms, such as AliExpress, Temu, Ebay, etc.

For Chileans, the house ownership is a matter of pride and personal fulfilment and they are willing to pay for products that make their houses more beautiful and comfortable for their families and visitors. From a basic need, home textiles are nowadays a representation of homeowner's uniqueness, style and choices. Usually, to purchase them do not require an excessive investment (such as furniture or house appliances), but result in a visible improvement in aesthetics and comfort.

In the last decades, the easier access to mortgage loans, as well as the government home subsidies to low-and-medium-income families have enabled a raising number of families to have an own home. Even if in recent years, the access to loans has become more difficult due to more strict requirements and a noticeable economy slowdown, the home rental market has remained relatively stable. People have continued to demand home textiles as, in most cases, they can easily be taken when moving to a new home.

The moving to another home is an occasion when Chileans use to renovate their home textiles, especially curtains. In past years, the majority of curtains were tailor-made, that is, cut and sewn under measure. But currently, retailers – especially home improvement stores – offer readymade curtains in different colours and measures, as well as blinds and rollers. For consumers, this alternative is attractive, as allow them to get their curtains immediately and at a much lower price than custom-made ones.

¹ The Unidad de Fomento (U.F.) is a unit of account commonly used in Chile, fixed on a daily basis and adjusted for inflation.

Cultural changes of the population are also impacting the home textile market. In the past, young people used to stay at their family household until they got married. But now, they leave earlier and rent or buy their own places to live, generally when they finish their careers and/or start working and are able to finance their expenses.

Besides, the number of working women in Chile has increased fast and importantly, letting them less time and willingness for house chores. There is a growing demand toward home textiles with superior features, such as stain repellent, quick drying or wrinkle free. In the bed linen segment, consumers are preferring duvets with washable covers that facilitate to make the beds, instead of the traditional bed sheets and blankets. Several consumers are also using microfiber towels instead of traditional cotton ones, because they dry faster, especially in winter.

Chileans and especially the youngest and more educated population segments are becoming more conscious about environment protection and water waste. There is a small but growing group of consumers concerned, for instance, about the quantity of water and pesticides used in cotton production and processing. They prefer to buy sustainable home textiles and garment produced of other type of fibres or even recycled fabrics. In addition, people are more conscious about eventual poor working conditions and child labour in the textile industry and are preferring brands able to ensure and certify fair working conditions in their supply chain.

Similarly, there are also consumers concerned about the environmental crisis caused by textile waste. A local representation of this phenomenon is the fact that the Atacama Desert – located in the northern Chile – is one of the world’s fast-growing dumps of discarded textiles. For this reason, they are preferring to buy high quality products ensuring a long lifetime, or produced of recycled materials. In August 2024, the Chilean Ministry of Environment issued a proposal called “Textile Circular Economy Strategy - 2040”², that in case of being implemented, could materialize in public policies for reducing textile waste, extending their lifetime and reusing and recycling them.

Notwithstanding the above, the “fast fashion” concept (better known in the garment and shoe markets) is well installed in Chile and present in the home textiles. Several consumers prefer to buy low-cost home textiles more frequently, instead of investing in high quality and ore durability. They value to be able to constantly renovate their home textiles, changing colours, textures and designs.

²To see the complete document (in Spanish) click here:

<https://consultaciudadanas.mma.gob.cl/storage/consultation/XEqK0q9ibeDmBAykvslNbiTxumnGh71ddgS5hejg.pdf>

Nevertheless, there is still a group of consumers that are willing to pay more for superior quality and exclusive products, as well as for handmade products, instead of industry-manufactured ones. Home textiles made of cotton or linen are very appreciated especially for summer time, because of their moisture absorption, breathability, comfort and aesthetic attributes. Silk is also very valued for its softness and luxury appearance.

The customization of home textiles according to their final user is also an increasing trend. Consumers are willing to pay, for instance, for products with children's motifs for their kids or for personalized textiles, such as towels and bed sheets with letter monograms. They are also more willing to buy home textile products for special occasions, such as tablecloths, napkins and placemats with Christmas, National Day or Easter designs.

Despite the above, most consumers still prefer more conservative designs for home textiles, like bed sheets, curtains and towels, choosing mainly plain colours or discreet designs, matching with different decoration styles. In the case of bed spreads and cushions, Chileans are more innovative and are more willing to introduce colourful prints, embroidering, combinations of different fabrics, etc, as a way to easily decorate a room with a investing too much money.

1.3 Sector Overview and Prospects

The nationwide lockdowns due to the COVID-19 pandemic affected the home textile supply chain, that in Chile is mainly sourced by imports. However, its negative effects in consumption were partially buffered by the funds received of three separate 10% early pension withdrawals allowed by the Chilean Congress. Many consumers destined these funds to improve, equip and embellish their homes.

After lifting the restrictions, the Chilean home textile market has been rebounding slowly, but not returning yet to its pre-pandemic status.

Main reasons are the slowdown Chile is facing in its economic growth, together with low investment and high inflation and unemployment rates that are affecting the purchase of power of the population.

This unfavourable panorama has also impacted the building sector. According to the Chilean Chamber of Construction (CChC), the total number of residential building permits issued fell by 27.7% in 2023, and continued to decrease during 2024. This effect is also noticeable in the commercial building, impacting the construction of new hotels and private hospitals. Nevertheless, the scenario of public hospitals is currently more optimistic, with 27 at setting up stage and 34 under construction.

As these factors are expected to continue in the short and medium term, sector actors believe that the home textile sector will remain flat or have a very moderate increase.

Besides, the home textile sector is reaching a relative maturity, and therefore no dramatic growth is set to appear. Sales will continue to be mainly driven by low-cost and massive products, especially in the framework of this negative economic scenario.

2. Imports and Exports

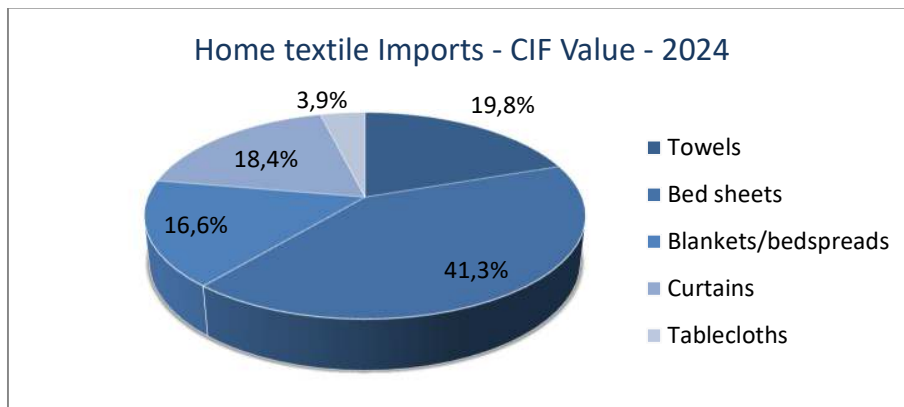
Import and export statistics contained in this section correspond to the following products, with the respective Harmonized System (HS) code under which they are classified in Chile³:

HS Chapter/code	Description
63.02.10.00 63.02.21.00/31.00 63.02.22.00/32.00 63.02.29.00/39.00	Bed sheets Bed sheets (knitted fabric) Bed sheets and pillowcases (cotton) Bed sheets and pillowcases (synthetic fibres) Bed sheets (other fibres)
63.02.40.00 63.02.51.00 63.02.53.00 63.02.59.00	Tablecloths (including placemats, napkins, table runners, etc.) Tablecloths (knitted) Tablecloths (cotton) Tablecloths (synthetic fibres) Other
63.02.60.10	Towels Towels
63.03.12.00 and 19.00 63.03.91.00 63.03.92.00 63.03.99.00	Curtains Curtains (knitted) Curtains (cotton) Curtains (Synthetic fibres) Other
63.01.20.00 63.01.30.00 63.01.40.00 63.01.90.00 63.04.11.00 63.04.19.00	Blankets and Bedspreads Blankets (wool) Blankets (cotton) Blankets (synthetic fibres) Other blankets Bedspreads (knitted) Other bedspreads

³ The HS codes under each type of leather product is classified correspond to the Custom tariff classification defined by the Chilean Customs and in force from January 1, 2017. In some cases, they may not coincide with the codes used in India.

2.1 Imports

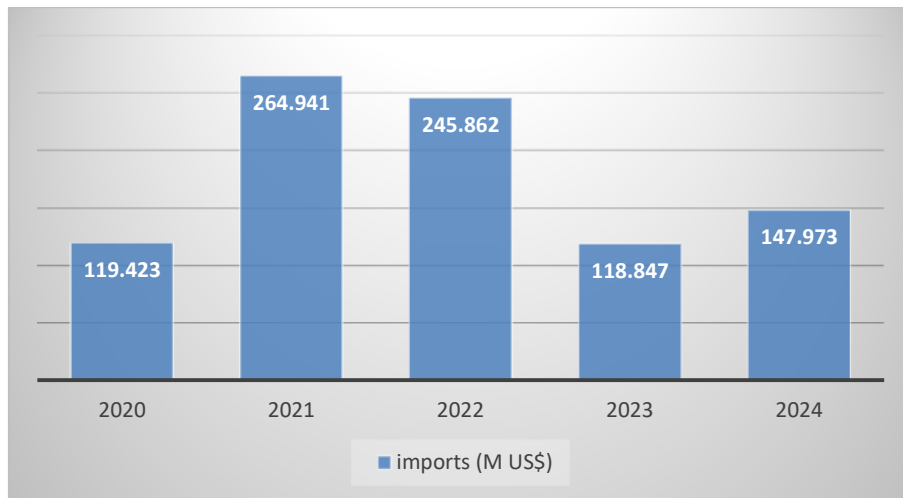
In 2024, total imports of the home textile products analysed in this survey accounted for US\$ 147.9 million (CIF value). Main imports correspond to bed sheets (41.3%), followed by towels (19.8%) and Curtains (18.4%). See chart below.



Source: Chilean Customs Statistics

Total imports showed an important increase in 2021 and 2022. See graphic bellow. As people were forced to be at home during the COVID-19 pandemic, spending on home furnishing goods fell as supply side was an issue. However, when finished, the demand recovered importantly, so retailers needed to replenish their stocks. In addition, the cost of home textiles increased, due to the higher cost of cotton and other fibres, as well as the shortage of several key industrial raw materials that lasted for a long time after the pandemic.

Total Imports – MUS\$ CIF Value (2020-2024)



Source: Chilean Customs Statistics

2.1.1 Imports by type of product

2.1.1.1 Bed sheets

About a half of total bed sheet imports correspond to those manufactured of synthetic fibres, reflecting importers trend toward lower cost products, in line with recent year's economy slowdown. See chart below.

Total bed sheet imports (in US\$ CIF)

HS chapter/code	2020	2021	2022	2023	2024
63.02.10.00	4.976.653	10.867.369	7.927.957	4.125.836	4.558.931
63.02.21.00/31.00	12.398.48	27.408.474	39.741.701	14.069.621	23.243.993
63.02.22.00/32.00	29.398.736	75.173.383	60.141.098	22.554.246	30.931.338
63.02.29.00/39.00	1.983.291	5.219.081	5.953.262	2.442.193	3.033.749
Total	48.757.164	118.668.306	113.764.016	43.191.895	61.131.550

Source: Chilean Customs Statistics

2.1.1.2 Tablecloths

Main tablecloth imports correspond to products manufactured of synthetic fibres (65%), showing also the trend toward low-cost products and to those more durable and needing less care. See chart below.

Total tablecloth imports (in US\$ CIF)

Hs chapter/code	2020	2021	2022	2023	2024
63.02.40.00	183.859	301.803	495.029	230.861	136.215
63.02.51.00	1.696.303	2.730.285	3.108.917	1.448.336	1.638.416
63.02.53.00	2.353.502	5.078.164	4.891.278	3.347.662	3.761.575
63.02.59.00	296.338	617.926	848.853	278.768	228.344
Total	4.530.003	8.728.179	9.344.078	5.305.627	5.764.550

Source: Chilean Customs Statistics

2.1.1.3 Towels

The following chart shows towel imports within the last 5 years.

Total towel imports (in US\$ CIF)

Hs chapter/code	2020	2021	2022	2023	2024
63.02.60.10	22.510.671	42.127.291	46.354.643	27.279.691	29.276.563
Total	22.510.671	42.127.291	46.354.643	27.279.691	29.276.563

Source: Chilean Customs Statistics

2.1.1.4 Curtains

Main imports correspond by far to curtains manufactured with synthetic fibres, representing 88.4% of total. See chart below.

Total curtain imports (in US\$ CIF)

Hs chapter/code	2020	2021	2022	2023	2024
63.03.12.00	1.844.915	4.785.133	2.349.187	1.602.830	1.171.868
63.03.19.00	44.463	111.586	47.250	28.015	876.888
63.03.91.00	484.978	1.053.084	1.701.712	733.111	698.637
63.03.92.00	23.412.074	61.291.940	35.922.687	20.508.393	24.056.241
63.03.99.00	75.571	687.192	618.240	440.071	414.266
Total	25.862.001	67.928.934	40.639.076	23.312.420	27.217.900

Source: Chilean Customs Statistics

As same as in the case of the other home textiles of this research, imports of curtains have decreased importantly within the last 2 years, at a level close to the pandemic period (2020).

2.1.1.5 Blankets and bedspreads

Main imports correspond to blankets manufactured with synthetic fibres, representing 69% of total. See chart below.

Total blanket and bedspread imports (in US\$ CIF)

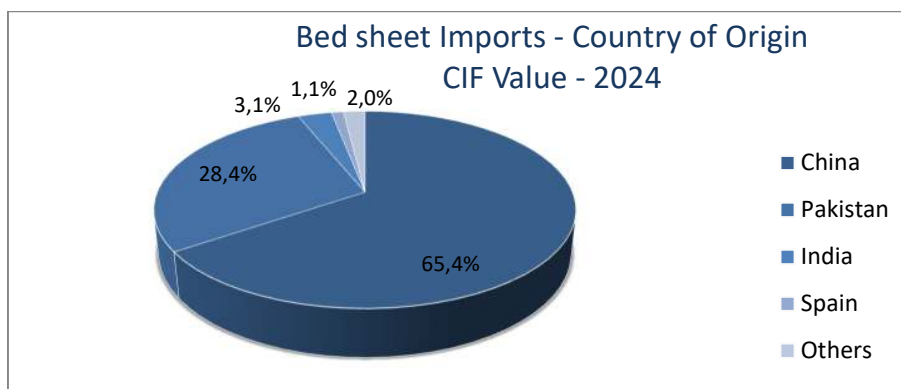
Hs chapter/code	2020	2021	2022	2023	2024
63.01.20.00	741.830	786.012	583.657	622.350	991.987
63.01.30.00	1.125.614	1.947.503	2.338.705	1.343.020	1.525.269
63.01.40.00	14.636.775	21.610.587	27.453.054	15.567.136	16.941.620
63.01.90.00	217.857	198.044	382.489	221.858	246.550
63.04.11.00	293.067	664.073	1.727.794	987.681	3.835.188
63.04.19.00	747.845	2.282.129	3.274.181	1.014.906	1.041.325
Total	17.762.988	27.488.348	35.759.879	19.756.950	24.581.939

Source: Chilean Customs Statistics

2.1.2 Imports by country

2.1.2.1 Bed sheets

In 2024, almost 93.8% of bed sheet imports came from two countries: China (65.4%) and Pakistan (28.4%).

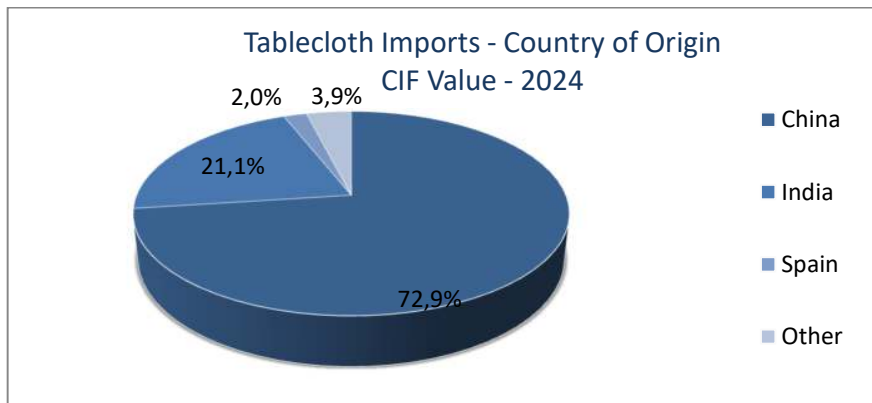


Source: Chilean Customs Statistics

Imports from India are not very significant, accounting for only 3.1% of total. Nevertheless, they have increased considerably multiplying by 10 in the last decade.

2.1.2.2 Tablecloths

In terms of value, in 2024 most tablecloth imports came from China (72.9%) and India (21.1%). See chart below.



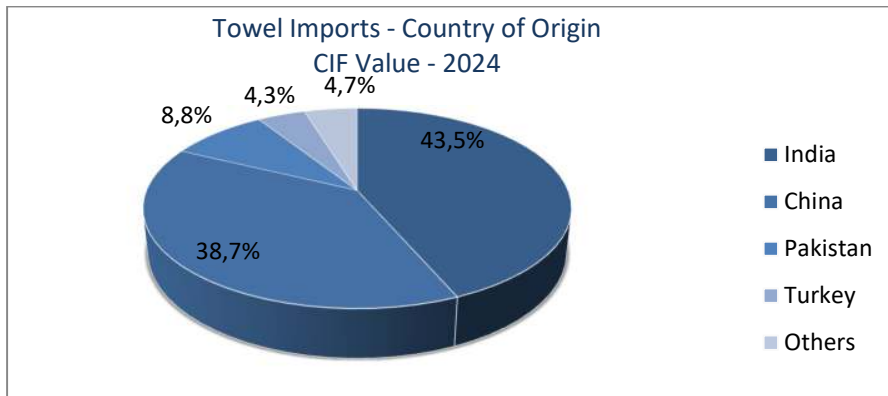
Source: Chilean Customs Statistics

It should be noted that tablecloth imports from India have been decreasing to a half within the last decade, in terms of CIF value, while China is increasing. They decreased from US\$ 2.5 million in 2014 to US\$ 1.2 million in 2024.

2.1.2.3 Towels

In terms of value, main countries of origin of tablecloth imports are India (43.5%), followed by China (38.7%) and Pakistan (8.8%).

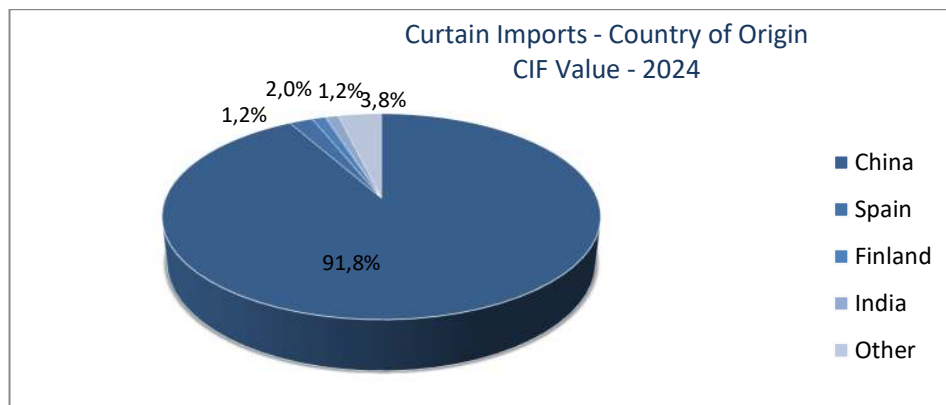
In the last decade, India has been the main import country of towels, year by year. See chart below.



Source: Chilean Customs Statistics

2.1.2.4 Curtains

In terms of value, curtain imports come by far from China (91.8%). See chart below.

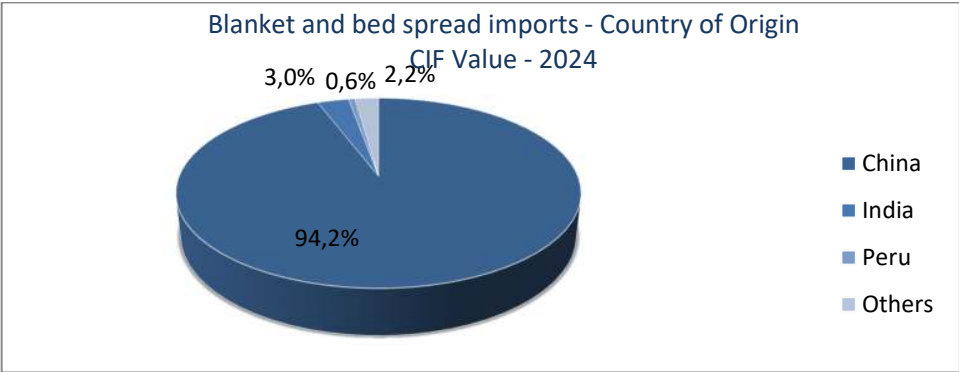


Source: Chilean Customs Statistics

Curtain imports from India rank in fourth position with US\$ 316 M, representing 1.2% of total.

2.1.2.5 Blankets and bed spreads

In terms of value, blanket and bed spread imports come by far from China (94.2%), followed by India (43.0%). See chart below.



Source: Chilean Customs Statistics

2.1.3 Imports by company

2.1.3.1 Bed sheets

In 2024, almost 226 Chilean companies imported bed sheets. From them, the 9 main companies gathered around 54.3% of total imports in terms of CIF value.

The following chart shows main bed sheet importers in 2024. The main importer is Representaciones Canontex (the local representative of the multinational Cannon). The second one (Eurofashion Limitada) belongs to the holding Cencosud. It is important to note that – with the exception of Representaciones Canontex, main importers are department stores, home improvement stores and/or supermarket chains importing under their own private labels.

Bed Sheet Imports by Company – 2024 (CIF Value)

COMPANY	VOLUME (in KG)	VALUE (US\$ CIF)	% CIF
REPRESENTACIONES CANONTEX LTD	1.402.925	8.624.646	13,96%
EUROFASHION LIMITADA	757.510	5.781.885	9,36%
X	776.163	4.009.354	6,49%
FALABELLA RETAIL S.A.	462.149	3.582.663	5,8%
COLCHONES ROSEN S.A.I.C.	247.867	2.862.534	4,63%
COMERCIAL ECCSA S.A.	403.033	2.560.970	4,15%
WALMART CHILE S.A.	518.876	2.488.386	4,03%
SODIMAC S.A.	186.691	1.883.158	3,05%
MATRIZ IDEAS	1.402.925	8.624.646	2,83%
OTHERS	5.511.199	28.229.235	45,7%
Total	10.485.607	61.768.011	100%

Source: Chilean Customs Statistics

Note that the importer ranked in the third position is identified with an “X”. This is when companies expressly request Chilean Customs not to reveal their names, in accordance to Personal Data Protection Law.

2.1.3.2 Tablecloths

In 2024, almost 197 Chilean companies imported tablecloths. From them, the 6 main importers gathered around 46.4% of total imports in terms of value.

The following chart shows main tablecloth importers in 2016. The main one is Matriz Ideas (known as Casa&Ideas), representing almost 20% of total. The rest of the main 8 importers are department stores, home improvement stores, textile specialists and/or supermarket chains importing under their own private labels.

Tablecloth Imports by Company – 2024 (CIF Value)⁴

COMPANY	VOLUME (in KG)	VALUE (US\$ CIF)	% CIF
MATRIZ IDEAS S A	145.522	1.149.393	19.94%
EUROFASHION LIMITADA	54.482	457.321	7.93%
WALMART CHILE S.A.	77.583	383.797	6.66%
EASY RETAIL S.A.	47.404	378.993	6.57%
X	24.041	154.677	2.68%
ZARA CHILE S A	11.204	153.174	2.66%
OTHERS	1.039.044	3.087.195	53.59%
Total	1.399.281	5.764.550	100%

Source: Chilean Customs Statistics

2.1.3.3 Towels

In 2024, almost 217 Chilean companies imported towels. From them, the 9 main importers represented about 61% of total imports in terms of value. See chart below.

⁴ Importer identified with an “X” corresponds to companies that expressly requested Chilean Customs not to reveal their names, in accordance to Personal Data Protection Law.

Towel Imports by Company – 2024 (CIF Value)⁵

COMPANY	VOLUME (in KG)	VALUE (US\$ CIF)	% CIF
WALMART CHILE S.A.	708.841	4.476.164	15.29%
EUROFASHION LIMITADA	495.462	3.666.058	12.52%
REPRESENTACIONES CANONTEX LTD	351.850	2.086.111	7.13%
MATRIZ IDEAS S A	231.257	1.730.385	5.91%
COMERCIAL ECCSA S A	235.563	1.585.281	5.41%
X	248.579	1.510.939	5.16%
EMPRESAS LA POLAR S.A.	156.646	1.370.366	4.68%
FALABELLA RETAIL S.A.	117.871	995.038	3.40%
COMERCIALIZADORA S.A.	87.762	705.034	2.41%
OTHERS	2.022.778	11.151.188	38.09%
Total	4.656.609	29.276.563	100%

Source: Chilean Customs Statistics

As same as in the case of previous products, main importers correspond to department stores, home improvement stores, textile specialists and/or supermarket chains importing under their own private labels.

2.1.3.4 Curtains

In 2024, almost 235 Chilean companies imported curtains. From them, the 9 main importers represented about 48% of total in terms of value. See chart below.

⁵ Importer identified with an “X” corresponds to companies that expressly requested Chilean Customs not to reveal their names, in accordance to Personal Data Protection Law.

Curtain Imports by Company – 2024 (CIF Value)⁶

COMPANY	VOLUME (in KG)	VALUE (US\$ CIF)	% CIF
SODIMAC S.A.	453.123	3.232.851	11.88%
EASY RETAIL S.A.	227.208	1.888.994	6.94%
X	344.080	1.370.563	5.04%
X	164.677	1.328.365	4.88%
X	270.160	1.229.790	4.52%
X	263.648	1.033.633	3.80%
X	321.797	1.015.245	3.73%
X	191.531	1.003.289	3.69%
MATRIZ IDEAS S A	151.642	987.523	3.63%
OTHERS	4.030.031	14.127.647	51.89%
Total	6.417.896	27.217.900	100%

Source: Chilean Customs Statistics

2.1.3.4 Blankets and bed spreads

In 2024, about 221 Chilean companies imported blankets and bed spreads. From them, the 8 main importers represented about 42.6% of total in terms of value. See chart below.

⁶ Importer identified with an “X” corresponds to companies that expressly requested Chilean Customs not to reveal their names, in accordance to Personal Data Protection Law.

Blanket and bed spread Imports by Company – 2024 (CIF Value)⁷

COMPANY	VOLUME (in KG)	VALUE (US\$ CIF)	% CIF
WALMART CHILE S.A.	571.819	2.664.127	10.84%
TEXTILES ZAHR S.A.	529.546	1.388.338	5.65%%
EUROFASHION LIMITADA	227.031	1.273.161	5.18%
X	172.942	1.182.190	4.81%
X	278.275	1.135.854	4.62%
SODIMAC S.A.	135.061	1.043.831	4.25%
MATRIZ IDEAS S A	156.337	980.727	3.99%
REPRESENTACIONES CANONTEX LTD	138.139	793.448	3.23%
OTHERS	3.683.328	14.120.264	57.43%
Total	5.892.476	24.581.939	100%

Source: Chilean Customs Statistics

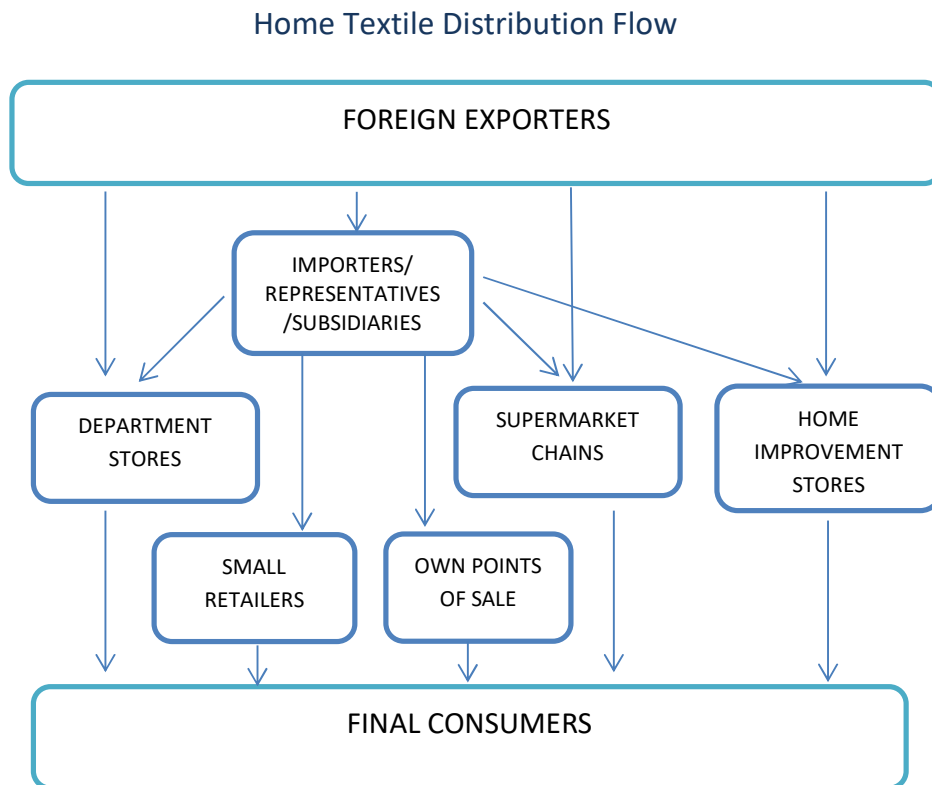
2.2 Exports

Given that Chile is not a strong textile product manufacturer, exports are not significant. Most of them correspond to small volumes of the few existent local manufacturers and to re-exports to other Latin American countries.

⁷ Importer identified with an “X” corresponds to companies that expressly requested Chilean Customs not to reveal their names, in accordance to Personal Data Protection Law.

3. Distribution channels

The following chart shows the flow of imported leather product distribution in Chile and its main players.



ANNEX 1 shows the contact data of some of the main companies importing and distributing home textile products

3.1 Importers and representatives

This group is composed by local companies importing and distributing home textiles and conducting the whole product supply process. Importers/representatives buy the products to the foreign manufacturers and are responsible of importing them and conducting custom clearance formalities. They are also in charge of the storage, internal transportation, sales and promotion and customer service. Accordingly, they assume almost all the risk of product operation in Chile.

In some cases, some activities (such as storage or distribution) are not directly conducted by them, but subcontracted to third parties

Some companies import only the international brands they represent (generally under an exclusivity contract) or the brands belonging to their headquarters (as it is the case of local subsidiaries of multinational companies). This is the case, for instance, of the market leader Representaciones Canontex (formerly named Comercial Valencia) and that commercializes only Cannon products.

Also, it is the case of H&M, Zara Home, Laura Ashley and Benetton, which commercialize only products from their homonymous parent company. In this international retail companies, the relation with suppliers is centralized and made in their global purchase areas located abroad.

Other local companies, such as Comercial Doral, Casa Ideas and Fabrics, import from different suppliers and commercialize under their own brands.

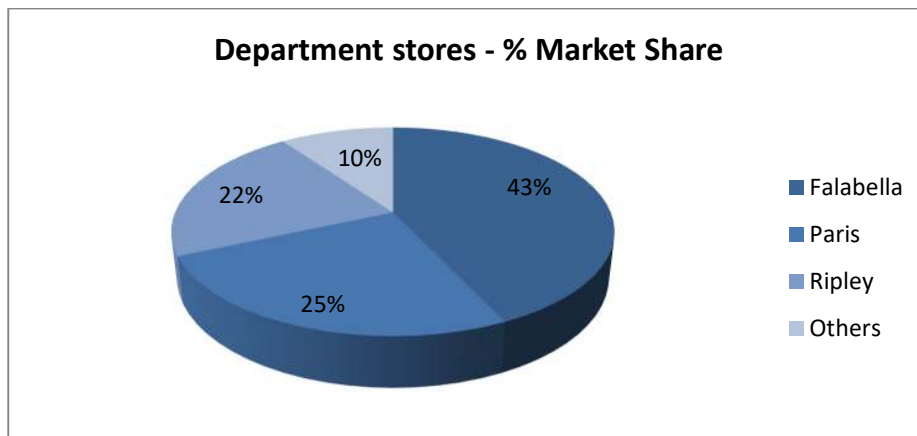
There are other local companies that are manufacturers, but import some finished products to complement their collections. This is the case, for instance, of Nina Herrera, El Castillo and Lourdes-Chiteco.

In all the above cases, companies sell their products to department stores, supermarket chains, home improvement stores, as well as to small retail stores and/or through their own points of sales.

3.2 Department Stores

Department stores are very important market players in the home textile segments.

One of the main characteristics of this channel is its high concentration. According to a Feller Rate report, the three main chains (Falabella, Paris and Ripley) gather almost 82% of the department store segment. See chart below.



Source: Feller Rate 2023

All the above department store chains are owned by Chilean capitals. The key to Chilean retailers' successful expansion is that Chilean retailers have developed a competitive culture and business model, which they have been even able to export to neighbour countries, such as Argentina, Peru and Colombia.

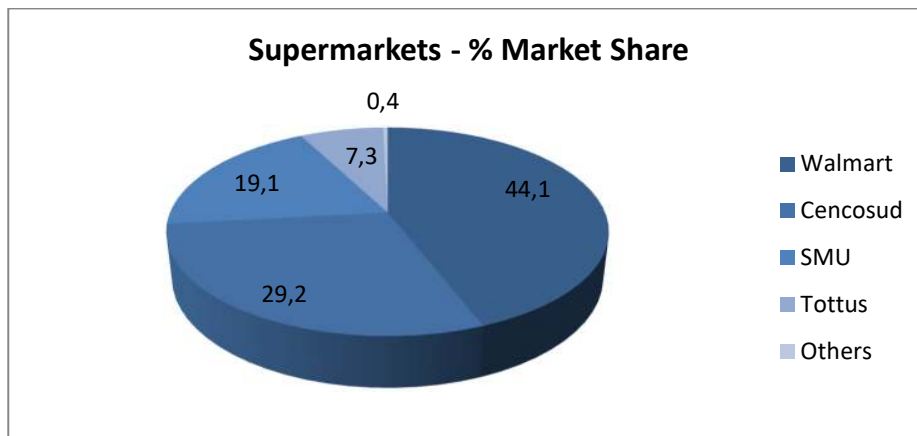
A key factor explaining the fast expansion of department stores in Chile is the fact that they have developed their own credit card, requiring less demanding conditions, in terms of income level and credit behaviour. This has allowed low and medium income consumers to buy in these stores, having access to credit.

Department store chains have also developed their own private labels of home textiles. They import finished products manufactured under their own designs to foreign suppliers. As China is their main source of supply, the main three department stores (Falabella, Paris and Ripley) have their own permanent shopping agents based in this country.

3.3 Supermarkets and hypermarkets

In 2023, the supermarket industry sales reached CLP 6,940 billion (Chilean peso) and represented around 33% of the total retail sales.

One of the main characteristics of this channel is its high concentration. Four main chains gather almost 99% of the supermarket and hypermarket segment and totalize almost 1.200 outlets all over the country.



Source: Econsult – March 2022

The four major supermarkets and hypermarkets are the following:

Walmart Chile (www.walmartchile.cl) The company currently operates under various formats and brands, including: the Express de Lider supermarkets chain; the Hiper de Lider hypermarkets chain; and the discounters Ekono, Bodega ACuenta and Central Mayorista. This totalizes more than 306 points of sale in all the country.

Cencosud (www.cencosud.cl): This local holding operates two formats: Jumbo hypermarket chain and Santa Isabel supermarket chain, with 285 points of sale. The group also operates department and hardware stores and is present in Argentina, Colombia, Brazil, USA and Peru.

SMU: the group operates Unimarc supermarket chain, the discounters Mayorista 10 and Alvi. The holding is also present in Perú with 2 supermarket chains.

Tottus (www.tottus.cl): This chain belongs to Falabella holding, which also operates a department and hardware stores and have presence in other Latin American countries.

In general, home textiles are sold mainly in the hypermarket format point of sales, while supermarkets have generally a very limited variety of products (if any) of this category.

3.4 Home improvement stores

In Chile, there are two main home improvement distribution chains, selling to home textiles to final users. These chains are the following:

SODIMAC: Sodimac is the leader with about 36% of the market. The company has subsidiaries in Peru, Colombia, Argentina, Uruguay, Brazil and Mexico. Sodimac has 87 points of sale in Chile, totalizing a surface of 778M m2. The company accounts annual sales for almost US\$ 2.400 million and 13 M employees.

EASY: The Company is part of the Cencosud holding and has subsidiaries in Chile, Argentina and Colombia. In total, Easy has 41 points of sale in Chile.

3.5 E-Commerce

Over the past decade, e-commerce in Chile has grown exponentially, with annual sales projections exceeding USD 11.5 billion for 2024. This figure represents approximately 3.7% of GDP and 15% of total retail sales, a proportion expected to increase significantly over the next ten years.

In retail, it is estimated that 25% of sales are made through digital channels. Large retail stores (such as Falabella, Walmart or Ripley) are the most used for online shopping (chosen by 64% of buyers), followed by marketplace platforms (48%).⁸

Most retailers of the distribution channels described above have developed their e-commerce websites and/or sell through the marketplace platforms (i.e. Mercado Libre, Falabella, Ripley, Paris, etc.). Department stores are even cutting down on traditional retail space for home textiles and furniture and offering more products online. The e-commerce represents a very important channel for home textiles, especially for more voluminous items (i.e. duvets, curtains, etc.) that consumers prefer not to carry by themselves.

International platforms – such as AliExpress, Ebay and Temu – are very popular among Chilean consumers and also a good source of home textiles at very competitive prices. They benefit of duty free and VAT exemption if the FOB price is lower than US\$ 40. Nevertheless, from Octubre 2025, imports under US\$ 500 will not be subject to pay duty fess, but in all cases the VAT will be charged.

⁸ Source: Santiago Chamber of Commerce

4. Import and commercialization formalities

All products imported and commercialized in Chile should meet some formalities. Some of them are the usual to any import, but there are some specific to textile products, necessary to its entry and further commercialization. Although most of these formalities are conducted by the importer, it is advisable that the exporter be aware of the documentation and product requirements necessary to fulfil the Chilean regulation.

Home textile products do not require certification for their import and commercialization in Chile. However, there are some rules related to labelling.

4.1 Labelling requirements

Home textile products should be labelled according to current regulation. Labelling provisions are the same for both, locally produced and imported products. Labelling is ruled by Decree 26/1984 of the Ministry of Economy and further modifications.

Labelling should be in Spanish and contain the following information:

- a. Name of the manufacturer or importer and registered trademark, if any
- b. Country of production
- c. Dimensions
- d. Fabric composition of the different parts of the textile product, expressed in %.
- e. Characteristics of the textile (i.e. wrinkle proof, no shrink, etc.), if any
- f. The four wash care symbols related to washing, ironing, bleaching and dry cleaning (printed in any color, except red, orange or green).

4.2 Import procedures

In the case of any import, Chilean Customs requires that each customs entry be supported by the following documents:

- Commercial Invoice
- Certificate of Origin
- International Transport Document (Bill of Lading or Air Way Bill)
- Packing List, when necessary
- Value declaration
- Other Documents (i.e. safety certificates)

All imports of a total value exceeding USD 2,000 (FOB) require the participation of a Customs Broker. Minor imports (less than USD 1,000 FOB) can be cleared directly by importers, following a simplified procedure.

Prior import licenses are not requested by authorities. This is valid for any type of goods.

4.3 Duty fees and taxes

Home textile product imports are subject to the payment of Customs Duties and 19% Value Added Tax (VAT).

The ad-valorem customs duty rate is 6%. However, goods originating in any of the countries or regions having signed a Commercial Agreement with Chile and evidencing such condition by means of a Certificate of Origin can be benefited with a reduction or exemption of import duties. Chile has signed 33 Commercial Agreements covering 65 economies, which have granted tariff preferences which each country applies to imports.⁹

India and Chile signed a Partial Scope Trade Agreement (PSA) in 2007 and a further deepening in 2017, giving tariff preferences to some textile product imported into Chile. In the case of the products (and their respective HS codes) analysed in this survey, duty taxes to pay go from 0 to 6 %. See details in the following chart:

India- Chile Partial Scope Trade Agreement – Tariff preferences

HS Chapter/code	Description	Tariff preference	Duty tax to pay
	Bed sheets		
63.02.21.10	Bed sheets and pillowcases (cotton)	30%	4.2%
63.02.22.10	Bed sheets and pillowcases (synthetic fibres)	30%	4.2%
63.02.32.10	Other (synthetic fibres)	30%	4.2%
	Tablecloths (including placemats, napkins, table runners, etc.)		
63.02.40.00	Tablecloths (knitted)	60%	2.1%
63.02.51.00	Tablecloths (cotton)	30%	4.2%
63.02.53.00	Tablecloths (synthetic fibres)	30%	4.2%
63.02.59.00	Other	80%	1.2%
	Towels		
63.02.60.11	Sets of towels	30%	4.2%
63.02.60.12	Towels (less than 50 cm.)	30%	4.2%

⁹ Find the list of countries and the complete texts of Commercial Agreements signed by Chile, by clicking on this link: www.direcon.gob.cl/acuerdos-comerciales/

63.02.60.13	Towels (between 50 and 60 cm.)	30%	4.2%
63.02.60.14	Towels (between 60 and 160 cm.)	30%	4.2%
63.02.60.19	Others	30%	4.2%
	Curtains		
63.03.12.00	Curtains (knitted)	60%	2.1%
63.03.19.00	Other (knitted)	80%	1.2%
63.03.91.00	Curtains (Cotton)	30%	4.2%
63.03.92.00	Curtains (Synthetic fibres)	60%	2.1%
63.03.99.00	Other	100%	0%
	Blankets and Bedspreads		
63.01.20.00	Blankets (wool)	-	6%
63.01.30.00	Blankets (cotton)	30%	4.2%
63.01.40.00	Blankets (synthetic fibres)	30%	4.2%
63.01.90.00	Other blankets	30%	4.2%
63.04.11.00	Bedspreads (knitted)	80%	1.2%
63.04.19.00	Other bedspreads	100%	0%

Source: Direcon

At present, both nations are discussing a new deepening of the trade agreement, including more tariff preferences, trade regulatory aspects and rules of origin.

It is worth mentioning that, Chile has also a Free Trade Agreement signed with China (the main country of origin the of most of textile products), granting with a 100% tariff preference to all analysed products, that is to say, they are not subject to duty fees.

4.5 Trademark protection

Even if it is not mandatory, it is strongly recommended that foreign companies register their trademarks if they aim to use them in Chile. They will permit to uniquely identify a company and its products to its customers and to distinguish them from those of its competitors

It is also advisable that, before using a trademark or logo, companies should check if such signs are already registered in identical terms or in similar terms (from a visual or phonetic point of view).

Trademark protection lasts 10 years and its registration can be renewed indefinitely (for periods of 10 years at a time). According to Chilean law, trademarks cannot be revoked for non-use reasons. The owner of a trademark could authorize a third party to use it under a license contract.

The National Institute of Industrial Property INAPI (www.inapi.cl) is the Chilean agency for registering trademarks, copyrights and appellations of origin. The registration procedure can be done in person or via internet, for a fee. According to Chilean law, it is not necessary

to hire a lawyer or trademark agent to file a trademark application. Nevertheless, it is highly recommended in the case of companies having foreign residence, which should appoint a local representative.

5. Market opportunities and conclusions

5.1 SWOT analysis

The following SWOT Analysis is intended to be a useful technique for understanding the Strengths and Weaknesses of India home textile product exporters, and for identifying both the Opportunities open to them and the Threats they face in the Chilean market.

SWOT ANALYSIS

Strengths <ul style="list-style-type: none">• Good quality of Indian home textiles.• Wide variety of Indian home textile products.• Existence of experienced Indian producers and exporters.• General good image of Indian products.• Duty tax preference (India-Chile Partial Scope Agreement).• Good reputation of Indian cotton and other natural fibers.	Opportunities <ul style="list-style-type: none">• Grow of massive home textile products.• Consumer trend toward customized home textile products.• Growing consumer consciousness of their house appearance.• Cotton home textiles are highly appreciated by consumers
Weaknesses <ul style="list-style-type: none">• High competition of Chinese low cost products	Threats <ul style="list-style-type: none">• Current economy slowdown• Limited number of potential importers/distributors in a highly concentrated market.• Very small market, leaving limited space for new brands.

5.2 Main conclusions

The Indian industry holds a 4% share of the global trade in textiles and apparel. India is one of the largest producers of cotton and jute in the world. India is also the 2nd largest

producer of silk in the world and 95% of the world's hand-woven fabric comes from India. The total textile exports are expected to reach \$65 Bn by FY26 and have an expected growth at 10% CAGR.

Chilean imports of Indian home textiles are significant, especially in the case of towels, being the largest source nation in 2024, with 43.5% of total. Indian terry towels have a very good reputation because of their quality and competitive prices.

In the case of tablecloths, India is the second largest country of origin of Chilean imports, but leaving space to imports from China. It is worth mentioning that Chilean tablecloth imports are not very significant compared to other textile products and are expected to continue decreasing (as it has been in the last years), in line with the consumer trend to replace them by other type of materials that do not require water washing (faux-leather placemats, vinyl tablecloth, paper napkins, etc.).

The internal demand for curtains is also expected to continue growing, given that Chilean consumers will continue to switch from tailor-made curtains to readymade ones. In 2024, curtain imports from India rank in fourth position with 2.8% of total. India has opportunities to increase its market share by offering innovative materials and competitive prices.

India has good opportunities in the segment of bed sheets, especially in the case of product made of 100% cotton or cotton blend. In the last 5 years, imports from India represented less than 1% of total, in a market dominated by imports from China and Pakistan. Even if this is a mature category, bed sheet imports are expected to grow, but moderately, especially in the case of hotel and hospital bed sheets.

It is important to take in mind that representatives of home textile foreign brands, as well as the local subsidiaries of these brands, have very few possibilities to decide where to import from, as most of the time this decision is imposed to them by the brand. Therefore, Indian exporters willing to sell home textiles in Chile should focus on companies importing under their own brands, as well as on department and home improvement stores (for their private labels) and supermarket chains. India exporters should also take in mind that price is one of the main decision factors and that they will most likely be compared to China prices, for similar quality products.