A Guide to
The Future of
Furniture Marketing

A special report from Response Mine Digital
responseminedigital.com
The landscape of furniture marketing is rapidly evolving. Traditional marketing tactics, such as broadcast TV commercials and newspaper advertising, are no longer the cornerstone of sales campaigns. Technological advances and changing consumer behaviors create a pressing need for marketers to stay ahead of the curve. It’s more important than ever to understand where the market is headed and to position your brand effectively within that context.

What’s different? Connected TV and influencer marketing are taking center stage. Brands that sell direct-to-consumer and e-commerce giants like Amazon are reshaping the industry. And as Generations Y and Z grow older, they are creating new households and embarking on life journeys that drive furniture purchases.

Integrating these insights into your strategy can set you apart from competitors and ensure you reach your target audience effectively. In this report, we’ll explore key elements that will shape the future of furniture marketing, provide insights into leveraging new technologies, and offer strategies to ensure your brand remains at the forefront.

The future is digital, dynamic and driven by data. Being prepared is your first step toward success.
DEMOGRAPHICS AND TRENDS

The changing consumer landscape

Not long ago, purchasing furniture was almost exclusively an in-person experience. Consumers would walk into brick-and-mortar showrooms, touch and feel the merchandise and materials, and rely heavily on recommendations from salespeople. While this tactile experience still holds its charm, the digital age has ushered in a radical shift in buying behaviors.

Enter the digital natives: The 20s and 30s demographic
The experience of purchasing furniture in the digital age is not just about technological adoption, but an evolution in consumer behavior. Individuals in their 20s and 30s, often dubbed “digital natives,” exemplify this shift. For them, digital isn’t something new; it’s innate. A recent report from Pew Research Center noted that 98% of Millennials (those born 1981-1996) own smartphones, emphasizing their digital connectivity. And according to a Retail Dive survey, around 87% of this group start their shopping journeys online, even if they opt to complete their purchase in a physical store.

From linear to omni-channel: The buying journey evolution
The golden age of TV commercials and print ads, though nostalgic, is receding. Recent data bears witness: eMarketer reported recently that digital ad spending in the U.S. surpassed traditional ad spending. And a Shopify study revealed that 70% of younger consumers drew purchasing inspiration from social media channels. This shift has transformed the once-linear buying journey into a more intricate, omni-channel experience. It’s now a consumer norm to discover a product through platforms like Instagram, experience it during a visit to a physical store, and then circle back online to finalize the best deal.

The digital playbook: New strategies are essential
Traditional marketing campaigns are not sustainable in today’s digital-first landscape. Furniture marketers must evolve. The contemporary strategy necessitates the integration of various digital touchpoints, authentic engagement with influencers, and a seamless blend of the digital and physical shopping worlds. At a time when change is the only constant, adapting to these dynamic consumer trends is not just advisable – it is essential.
DIGITAL MARKETING CHALLENGES

The new normal: A blended approach

Furniture marketing is at the intersection of evolution and revolution. The transition from old marketing staples to digital avenues is evident. And it’s not just about online vs. offline anymore. New players like Connected TV (CTV) and direct-to-consumer brands – along with retail giants like Amazon – are not just making waves; they are changing the very currents of the furniture market. Let’s look into these transformative elements, with a particular focus on the shaping influences of Generations Y and Z.

The digital evolution and its disruptors
Digital marketing in the retail sector is on the rise, with a global e-commerce furniture and appliances market that is worth more than $400 billion a year. Furthermore, the U.S. continues to see growth in digital ad spending (now approaching $200 billion), highlighting the sector’s shift to online platforms. As for the disruptors, CTV has become a focal point for advertisers, with more than 50 million CTV users now in the U.S. alone. And giants like Amazon command a 38% of the U.S. e-commerce market share.

Generational shifts: The Y and Z factor
The influence of Generations Y and Z cannot be understated. A recent study indicated that 77% of Gen Z prefers to shop in physical stores but often conducts research online beforehand. Also, in the realm of sustainability, a survey by First Insight found that 62% of Gen Z respondents preferred to buy from sustainable brands, a testament to their value-driven purchase behavior.

The road ahead: Adapting and thriving
The traditional vs. digital tug of war in marketing is evident in how businesses are adapting. As online furniture sales grow, brands that recognize and adapt to this trend are more likely to remain competitive. Given the digital trajectory, embracing a blended approach, which combines both online and offline strategies, is now the new industry norm.
MEDIA CONSUMPTION

Out with the old, in with the new

Staying on top of media consumption trends is a critical aspect of furniture marketing. For instance, the shift away from traditional linear media, such as TV, and the flourishing landscape of digital streaming platforms are key factors to consider. The surging popularity of short-form video content is also relevant for furniture marketers.

Traditional vs. digital media: Changing times
Traditional media, especially linear TV, was once the advertising powerhouse. However, a recent Nielsen report highlighted a significant shift: adults in the U.S. spent an average of 3.7 hours per day on digital devices, compared to 3.5 hours on live TV. And the gap continues to grow. Streaming platforms, such as Netflix, Hulu, and Disney+, have been at the forefront of this transition, offering a buffet of on-demand content. Recognizing this transition is pivotal for furniture marketers aiming to reach a wider and more diverse audience.

Short-form video revolution
The rise of platforms and tactics such as TikTok and Instagram Reels speaks volumes about the global appetite for short-form video content. A report by Sensor Tower pointed out that TikTok is now the most downloaded app in the world, with 3.5 billion total downloads. For furniture brands, short-form video platforms such as these offer a golden opportunity.

Bite-sized videos can dynamically showcase furniture aesthetics, usability and even DIY assembly, engaging consumers in ways that traditional ads cannot.
STRATEGIES AND INSIGHTS

Innovative tactics, new opportunities

Digital marketing continues to reshape the furniture industry, demanding innovative tactics to bridge online engagement with offline sales. Harnessing the clout of influencers and tapping into the authenticity of user-generated content have become paramount. Pinterest stands out as a primary inspiration hub for furniture aficionados, while CTV and DOOH advertising offer new avenues to reach consumers, emphasizing geo-targeting and lookalike strategies.

The power of décor and design influencers
The rise of influencers is reshaping how consumers perceive interior aesthetics. An Influencer Marketing Hub survey showed that 67% of marketers believe influencer marketing helps them reach a more targeted audience. Leveraging influencers not only enhances brand visibility but taps into an already engaged and trusting audience. Collaborations can range from product placements to influencer-curated collections, offering a fresh perspective to consumers.

55% of young Americans have purchased a product after seeing a post from someone they follow

Micro-influencers have a 60% higher engagement rate than macro influencers

Influencers are effective at driving on-line to off-line sales
In the age of digital commerce, influencers have emerged as potent mediators. According to a report from Influencity, 55% of consumers have bought a product after seeing it used by an influencer. Collaborations with these digital tastemakers can drive online engagement that leads to offline purchases.
User-generated content attracts younger consumers

Many studies have found that user-generated content can amplify authenticity. A report from Adweek found that user-generated content increases brand engagement among young users by more than 60%.

CTV and DOOH: Precise targeting

With Connected TV and geo-targeting, marketers can focus campaigns on specific regions. Lookalike targeting broadens this reach by finding audiences with similar behaviors. Digital Out-of-Home advertising, which combines the impact of traditional billboards with the precision of digital targeting, has also been on the rise.

Pinterest: A furniture vision board

Pinterest has become a gold mine for furniture marketers, with a rapidly growing audience, many of whom are actively seeking inspiration before making a major purchase. Marketers can leverage this platform to identify emerging trends and to create aspirational content that resonates with users’ home design aspirations.

$15.9 billion

Estimated DOOH market size by 2027

3.5 billion

Active Pinterest users as of 2023
Harness your data, measure the impact

Digital marketing is most useful when it is properly measured and tracked. Your data provides a wealth of insights into consumer behavior and campaign effectiveness, which is why more than 70% of businesses have increased their budget allocations toward data analytics. In this section, we will look at attribution models, delve into media mix modeling, understand how digital campaigns impact off-line results, and accentuate the significance of rigorous testing.

Deciphering attribution paths
Attribution models offer a window into the consumer journey. While 58% of marketers still default to the last-click model, there is a growing trend toward more nuanced models like linear and time-decay, with about 42% of businesses employing them for a more holistic view of customer interactions.

Allocating resources with media mix modeling
In a study by Forbes, 65% of marketers acknowledged the role of media mix modeling in efficient budget allocation. This technique, pivotal for strategic decision-making, offers valuable insights into each marketing channel’s performance, guiding resource distribution in the dynamic furniture marketing landscape.

Bridging digital campaigns with offline results
Digital strategies have tangible offline manifestations. Techniques like geofencing – which is compatible with 92% of smartphones – have witnessed a 37% rise in adoption by retailers aiming to boost in-store sales through online promotions. The symbiotic relationship between digital campaigns and physical store traffic remains pertinent.

Testing and Incrementality: The evidence of impact
A recent survey by Marketing Land found that 78% of marketers consider controlled experiments crucial in distinguishing marketing-driven results from organic outcomes. Rigorous testing continues to be a touchstone for genuine marketing efficacy.
KEY TAKEAWAYS

Want to win?
Be prepared for change

This evolution of furniture marketing is marked by quantifiable shifts and transformative data-driven insights. Grasping these nuances and adjusting your approach is critical for the success of modern marketing strategies.

Cord-cutting: The digital disruptor
Roughly half of U.S. households have “cut the cord” and no longer pay for traditional cable TV, signaling a tectonic shift from traditional linear channels. For furniture marketers, this necessitates a recalibration, focusing on digital avenues to engage this growing segment.

- Connected TV advertising now holds immense potential. Yet, with more than 30 distinct CTV providers, marketers face the challenge of fragmentation.

  A strategic approach, underpinned by an understanding of audience segmentation, can leverage this diversity to an advantage.

- Understanding CTV costs is paramount. CTV ad spend in the U.S. has reached approximately $14 billion, indicating its growing importance.

- However, the rise of walled gardens, like those of Meta and Google, still control more than 60% of digital ad spend, while presenting challenges in data access and campaign optimization.

Influencer impact:
Beyond mere engagement
Influencers have redefined engagement by the way consumers rely on their recommendations when making a purchase. Tapping into this influence means more than collaboration; it necessitates a strategic partnership to harness their reach effectively.

- Influencers aren’t just trendsetters; they’re sales drivers. Their recommendations sway 50% of consumer purchase decisions.

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CONCLUSION

You must understand, innovate and adapt

Furniture marketing stands at a transformative juncture, moving from the nostalgia of physical showrooms to the digital-first experiences fueled by generations who have grown up with technology at their fingertips.

For furniture marketers, the road ahead is clear – understand your audience, embrace digital advancements and be prepared to adapt. The seismic shifts brought about by technological innovations, generational preferences and new media consumption patterns are not just trends; they are the new normal. The brands that succeed will be those that merge the allure of the past with the digital dynamism of the present.

Influencers, once considered a novel addition, are now key drivers of sales, showcasing the power of authentic, human connection in a world dominated by screens.

The data-driven landscape presents both opportunities and challenges. On one hand, the digital domain, led by platforms such as CTV, offers unprecedented access to audiences. Yet, the world of walled gardens and fragmentation emphasizes the need for new strategies and adaptation.

The future offers a landscape where physical stores and digital platforms coalesce seamlessly, where influencers and brands work in tandem, and where data doesn't just inform but drives decision-making.

The bottom line: As the marketplace continues to evolve, the ability for companies to understand, innovate and adapt will be the key to success.
To learn more about the future of furniture marketing and how we can help you grow your business, please call or email Ken Robbins today.

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