

Textiles key in JCPenney “refresh” strategy

JCPenney execs laid out a plan to boost home sales that changes the way consumers think about the department during its Analyst Day presentations recently. Looking to boost business with loyalists and gain more share among young mothers, Penney identified four initiatives it will pursue over the next three years: Win on value, a move that will boost private label across the store from 52% today to 65%-70% by 2018/2019; Provide beauty solutions to younger moms, a strategy focused around apparel, Sephora, jewelry and accessories; Become a destination for plus-sized clothing; Refresh her home.

“Today we are in the replacement business. People buy as [home] items wear out,” chief merchant John Tighe told analysts. JCPenney wants to capture consumers as they move into new homes or remodel existing ones. Pilot programs in expanded window departments, flooring services, Ashley furniture and appliances are part of the approach. So is the home textiles department. “What better way to refresh your home than textiles?” said Tighe. “The customer trusts us for bedding, bath and white goods.” And because shoppers want to see and feel home textiles before they purchase, the strategy “helps us defend against online [competition] and drive traffic to our stores.” Chairman and CEO, Marvin Ellison said the home strategy also aims to hook into the accelerating housing market.

Other key take-aways from this presentation: Penney is piloting a test program among some of its private label apparel brands to whack turnaround time from order to delivery by 40%; As it steps up private label, Penney will eliminate outside brands “that aren’t relevant to the customer;” JCPenney loyalists account for 55% of the business and spend disproportionately in home. They are older, Empty-Nesters with a higher than average household income. The emerging customer is an American mom with kids at home, more multi-cultural than the traditional customer. ■

Source: *Home & Textiles Today*

Retailers bullish on Holiday 2016, anticipate healthy sales

Fung Global Retail & Technology and First Insight conducted a survey to gauge retailers’ sentiment regarding consumers’ holiday spending this year. Almost three-quarters of the survey respondents said they are optimistic about the upcoming holiday season, and about a third said they are extremely optimistic. More than 60% of those surveyed believe, holiday sales will increase compared to last year, and about 25% expect sales to increase 5%–10%. Global gas prices could positively influence business, and 29% of survey participants said they think gas prices could have a positive impact on second-half sales. More than 32% of respondents said, changes in the global economy will positively influence, while 15% forecast that such changes will have a negative influence.



The survey respondents included 81 retailers, 13 wholesalers and eight other retail industry specialists. Of this group, 48% support buying and merchandising decisions within their organization, 28% support planning and 24% fulfill other functions, which include operations, accounting, management, sales and CEO. Approximately 58.8% of those surveyed work for a company with annual revenues of under \$50 million, 26% work for companies with revenues of \$50 million–\$1 billion and nearly 15% work for companies with annual revenues of \$1 billion or more. Of the respondents, 48% are responsible for buying and merchandising, 28% are responsible for planning and 24% are responsible for other organizational responsibilities.

More than 70% of survey respondents are optimistic about holiday 2016 relative to holiday 2015, and, of that group, 33% are very optimistic. The survey found that 22% of respondents are neutral regarding the holiday 2016 outlook and just 5% are pessimistic. Respondents’ stated reasons for an optimistic holiday outlook included “the economy is on the rise,” “pricing has been adjusted to be more competitive,” “companies are leveraging omni-channel offerings,” “new marketing,” “promotions” and “expanded product lines.” The 5% of survey respondents who are pessimistic regarding holiday 2016 cited “lighter store traffic,” “the economy” and “oil prices” among the reasons for their outlook.

More than 50% of respondents projected that business will be up 5% or more this holiday season compared to last year. Of those polled, 27% predict that business will be up 5%–10% year over year, while 18% think it will be up less than 5%, 16% think it will be up 10%–20%, and 9% think it will be up more than 20% versus last year’s holiday season. Approximately 14% of respondents think business will be flat versus holiday 2015, and 16% think it will be down. Within the latter group, 8% estimate that business will be down 5%–10%, 4% think it will be down 10%–20% and 2% think it will be down more than 20%. ■

Source: *Fung Global Retail & Technology and First Insight*

Innovations drive Rug Culture

indoor & outdoor themes merge to complement each other

As indoor and outdoor living spaces have become almost seamless, consumers want their outdoor spaces to reflect their indoor style. More evolved and sophisticated than their predecessors, these rugs offer quality and durability, making them suitable for both in and out of doors.



The trend of converting outdoor areas into 'livable space' has grown in intensity over the past several years. It continues to be one of the fastest-growing segments of

the home furnishings industry, and retailers believe that consumers will demand improved product variability, more fashion forward design, and greater variety of qualities/price points. The category has such potential that many manufacturers bought new looms that will be devoted to nothing but outdoor products.

A manufacturer is introducing solution-dyed polypropylene with added ultraviolet protection for permanent colour. While the line looks like it's constructed of natural fibers, it's engineered to resist stains, moisture and mold. Another has added 45 rugs to its indoor/outdoor portfolio last month, along with three new collections: a polypropylene group of eight designs ranging from geometric to contemporary stripes, along with two collections made of polyester yarn from recycled bottles. Designs once considered to be more focused on in-home fashion we are finding do very well in the multipurpose area. The consumer is looking for pretty designs and the days of designing indoor/outdoor rugs for a specific look or theme are over.

Consumers are also more comfortable with bolder designs and colours, and one of the top current trends in this category is vibrant hues. In contrast to the past where everything was 'beige safe,' the new styles offer statement looks at affordable prices. While geometrics and simple borders drive the category, florals are also coming up. However, colour is the most important feature that the consumer is looking for as it is something that pulls the entire space together without being overwhelming. Consumers also want softer, more tactile rugs in their outdoor spaces. As the quality and the performance increases, many consumers use them indoors as well. ■



As the quality and the performance increases, many consumers use them indoors as well. ■ Source : HFN

Moody blues & silver greys counter stainless steel tableware

The purist approach to tableware—all white with stainless steel cutlery—has been left far behind in a race for a more relaxed, layered approach to dining tables. Colour and pattern interspersed with white and complimented by a mixture of shapes and textures results in a visually refreshing appeal.



New dinnerware colours to look out for in the second half of 2016 are moody blues and silvery greys—preferably in a mismatched array of colours and shapes with a generous inclusion of white pieces.

For example, tableware supplier Noritake has released two collections of high quality porcelain dinnerware in navy/silver grey that feature a subtle 'swirl' texture on the surface of each piece. NON (navy on navy) and GOG (grey on grey) feature Coupe dinner plates, salad plates and deep-sided cereal, soup and noodle bowls. Each range is sold as a 12-piece dinner set for four people and there is also a set of four mugs. ■

Source : Australian Gift Guide

Back to College shoppers focused on price, value



Most college students and families with

children in college are less than half way through their shopping for the season, and fewer of them from last year are all done with the task. This is according to the National Retail Federation's annual survey conducted by Prosper Insights & Analytics, which surveyed 6,915 consumers about their back-to-school/college shopping plans. So far, back-to-college consumers said, they have done less than 48% of their shopping, down from 49% last year. A starker year-over-year difference is that only 15% of these consumers are finished with their lists, a drop from 19%. It is evident that many families are still considering price and value when shopping for their back-to-school and college needs.

For the first time, consumers were asked which back-to-college items are still needed to complete their shopping lists. According to the survey, 61% still need to purchase school supplies, followed by clothing (50%) and personal care items (33%). When asked where they will finish their shopping, the survey found 42% of college consumers will likely head to discount stores - marking the lowest in survey history, NRF said. That is followed by 42% to department stores -- the highest in survey history, and 40% online -- also a survey high. ■ *Source: NRF*

7 diverse trends influence tabletop accessories

2016-17 is shaping up to be a very interesting year in terms of the influence on tabletop accessories and small gourmet items. The largest trends in design are going to make dinner parties and entertaining the focus of the conversations for those using the items found in the kitchen and dining room.



A Return to Formality - Formal dining and dining rooms are making a big comeback. While city dwellers continue to celebrate small spaces, there's a movement towards formality in the home for those that have the space. Whether these spaces are inviting or dynamic, they all feature clean, minimalist lines that make statements within themselves.

Matte Finishes - Traditional finishes have been on their way out for some time. In recent years, one has seen the addition of copper, rose gold and textured metals become design statements in multiple home product categories. While metal continues in its popularity, be on the lookout for matte finishes to start bubbling up - especially in grey and black. Look for oxidized metals, matte glazes and chalk finished items.

Flora & Fauna - Does it seem that floral patterns should officially be classified on as classic? One is beginning to see the return of granny florals patterns - over the top patterns featuring heavy, bold colors are definitely winning design enthusiasm. Placemats and napkins, ceramics, mugs, serving trays and plates will go a long way in this design trend.

Marble Accents - Marble is stable in bathrooms and kitchens. Clean lines with organic fluidity in the marbling pattern is now being used to make the table more interesting. Candle holders, trays, coasters, planters, and picture holders carry the modern, clean aesthetic we are seeing while adding depth and dimension to the table setting.

Global Influence - Formal rooms are not complete without a hint of nostalgia and infused with world travel. Vintage items, handwoven textiles and handcrafted items soften the austerity of ultra-modern and contemporary rooms. Don't be afraid to add embroidery, raffia, wood accents, woven baskets or hand loomed textiles to the table top.



Mixing Materials - If you combine all of these trends, a trade professional is left with the ultimate statement -- consumers want to mix materials in order to create dynamic, unique spaces in their homes and atop their tables. Rustic wood, vintage fabrics and modern details combined in a fashion entirely unique to their creator further expresses personality in the home. ■

Source: www.nynow.com

5 common visual merchandising mistakes

focus on the 'constant' to keep things moving

Visual merchandising consultant, Sarah Quinn shares about the most common merchandising mistakes independent retailers make, and how to fix them.

Not buying for your business - Buying to please a customer and not buying for your business vision, or buying because an item is successful elsewhere but it doesn't fit your business model is a big mistake. This complicates small business in so many ways and makes it really hard to arrange merchandise. Generally, as a result of incorrect buying products do not sit well in the one shop-it doesn't make sense.

Not making the most of your window- The main problems when it comes to window displays are: Not actually using the window; Not changing regularly: product update every 1-2 weeks and a backdrop update every 1-2 months, depending on how often one gets new stock is recommended.

Overfilling the window - many business owners think the more they put in the window, the more chance items will be noticed and will sell. In fact, the opposite is true. Not using any props, risers or mannequins; not putting thought into window displays; and not allowing negative space are also matters of concern. You need to include negative space everywhere in your store from displays to the window and counter. We consume so much information visually that when we see an overload of more stuff, we just can't bear to look at it. Retailers cram products and displays into every inch of their business [but] people need somewhere to rest their eyes. One needs to create as much negative (white) space as there is display space. For every new item/product one brings into the business, one must remove another product either by sell through, mark down or end of line. People need to be able to walk through aisles without fear that they may break something.

Not having an exit strategy for product - It's important to keep track of product that isn't getting attention within its first week in store, and work out why it isn't selling. Check competitors and look out for saturation of the market. Keep an eye on



department stores and discount stores-as soon as something arrives into their business, you should stop purchasing. Know that every business has buying duds. This is normal. . . Set some rules. After two weeks assess why the product isn't selling and change it. After four weeks move

the product on. If the timing is not right for that product, pop it out the back and bring it out at the right time. You're far better off using that space for new and best-selling items. Be mindful that a dud product can bring down the items it surrounds.

Not keeping things tidy - General housekeeping can be an easy thing to overlook, especially if you're in your store every day. ■ *Source: Giftguideonline.au*

Youth Furniture sales to grow 18.6% by 2020



Youth furniture sales in USA are expected to reach \$7.06 billion by 2020, an 18.6 % increase from the estimated \$5.96 billion in 2015, according to the latest data from Kids Today and Easy Analytic Software Inc.

The top 20 US metro markets for youth by bedroom furniture sales, led by the greater New York City metro with 2015 sales of \$373.3 billion, comprised 38% of total sales in 2015. Midland, Texas will have the largest projected population growth of children aged six to 11 in the next five years, increasing by 6%. Greeley, Colo follows with a 5.2% expected growth. The population of this age group in both Midland and Greeley accounts for 9% of the metro market's total population. Head farther south in the lone star state to Laredo and that's where the largest growth of kids between the ages of 12 and 17 is expected, with an increase of 2.2% over the next five years. Provo-Orem, Utah is anticipated to have the same rate of growth for children ages 12 to 17. The pre-teen to teenager group comprises 11% of the total population in Laredo and 10% in Provo-Orem. ■

Source: Furniture Today

Soft and natural hues drive interior design trends

Soft and natural hues with a trace of vintage colour palettes, botanical designs and tropical patterns inspire the latest seasonal interior



design trend. The idea is to use softer colours and botanical themes in the home to

counter the modern-age stress. Based on the prominence of these trends, the industry is leaning heavily on it for comfort.

Pink hues, for instance, have quickly spread from fashion to interior design since Pantone chose a variation of pink, rose quartz, as one of two 2016 colours of the year. Pantone cited the psychologically soothing effect of the shade as a big reason for its choice. Marsala was last year's colour of the year, and Pantone picked radiant orchid in 2014. Pink, layers smoothly on neutral foundations that are home-friendly. It is demanded in wallpaper, paints and fabrics.

The botanical trend, meanwhile, has emerged on US shores fresh from Europe, where the motif has enjoyed strong demand as a seasonal look and is evolving into bold everyday choice, with psychedelic colors and clashing palettes for statement effect in place of a more natural, organic vibe. Tropical patterns are also driving the latest botanical trend. The interpretation here by product designers is informed by the same kind of desire to be soothed that make pink popular right now. Overall, the palette for the most popular tropical patterns is cool with the focus on deep green leaves. Another branch of this trend is the streamlined, two-colour repetitive pattern featuring tropical icons such as monkeys or pineapples. The yearning for adventure is there, but the look is clean and soothing in its own way. ■ *Source: Home Accents Today*

Demand for casual elegance bubbles up inclination toward high-end looks at reasonable prices

Farmhouse and rustic contemporary designs have dominated introductions over the past several years, and while they are still in demand in certain regions of the country, more elegant home accents and décor are bubbling up. Emerging trends are leaning toward sophisticated, contemporary and gentle glitz, with home décor pieces and wall art including an abundance of gold accents, mixed metals and mixed finishes that also incorporate crystals, geodes, and ceramics, often combined with metals. While high-end luxury retailers of all kinds have been losing ground over the past year, consumers' desire for luxe looks have not, and they are seeking elegant and sophisticated décor at non-luxe prices from middle market retailers and mass merchandisers.

Buyers are seeing a shift to casual elegance in transitional and midcentury style, so they want luxury and a high-end look at a reasonable value. They want something that appears luxurious and expensive. Metallic accents with shiny and matte finishes were prevalent at many trade shows but it is the pairing of both that offer "a hint of luxury." It is the perfect marriage of finishes to create a sophisticated look. This definitely shows a movement away from industrial looks and proves a shift towards a luxury lifestyle look is on the rise.

There are products that combine metallic finishes with matte ceramic, marble, wood and other materials. In future seasons, retailers foresee more electroplated metallic finishes, especially on furniture, along with a variety of metallic hues like gunmetal gray, brushed copper and champagne gold. Retail buyers are clamoring for "transitional products," away from the scroll accents of traditional design and toward more modernized styles. There are trends of shift in the direction of clean lines, mixed materials and designs that support a simplified lifestyle as customers are asking for some elements of luxury incorporated with a modern style. The high-end low-end mix is still going strong, especially with more big box retailers getting in on the DIY home décor trend.

With sleeker, more polished contemporary looks on the rise, designers

are adding more textured glass and crystals elements. The look is bright and clean and not too fussy. And while heavy rustic looks may be less pervasive these days, botanical



designs and colours and natural wood finishes remain on trend. As buyers continue to bring the outdoors inside, those elements likely will take on more casual elegant styles. ■ *Source: HFN*