

Upholstery

Impacting Purchase



It is believed, one of the product categories where India has skill, competence and commercial viability to set up large scale production for export/supply is the Sofas. With the given background, Craftcil is publishing relevant extracts of an article highlighting the role of Upholstery in buyers decision making when picking a finished product in this category.



Stationary sofas lead upholstery purchases

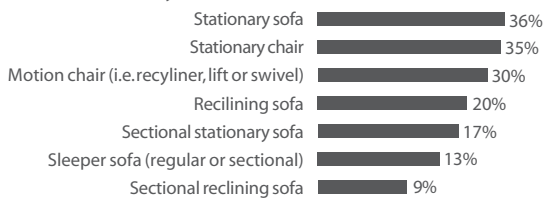
Among consumers who have purchased upholstery furniture in the past two years, 78% have purchased sofas, according to exclusive data from Furniture Today's 2018 Consumer Upholstery Path-to-Purchase study. Fifty-five percent of sofa buyers bought a stationary sofa, 31% purchased a reclining sofa, and 14% bought a sleeper sofa. Sixty percent of consumers own fabric upholstery furniture. Fabric is the most-owned upholstery among all categories, except reclining motion sofas, where leather is owned by 39%, one percentage point more than fabric. While fabric is the most owned among either stationary or motion upholstered furniture, leather is owned more among consumers who own motion furniture. Among stationary upholstered furniture owners, leather is owned by 17%. This is significantly less than motion upholstered furniture owners, where leather is owned by 37%.



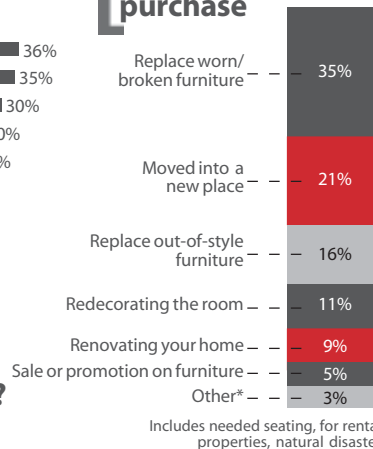
37% of motion furniture is leather, significantly more than 17% of stationary upholstered furniture

Upholstery purchases

Previous two years



Reason for upholstery purchase



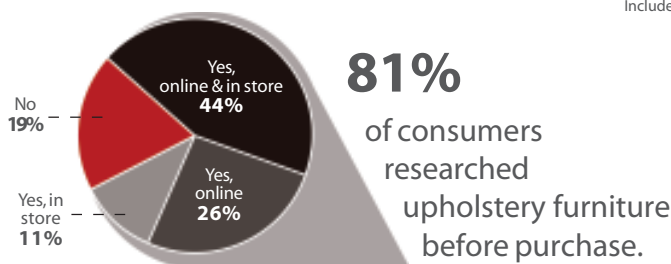
Over half of consumers purchased upholstery furniture to replace older, either broken or out-of-style, furniture. Thirty-five percent of consumers reported replacing broken or worn furniture as the reason for acquiring new upholstered furniture, while 16% cited replacing furniture that had gone out of style. The second-most cited motive for purchasing new upholstery furniture was moving into a new home, reported by 21% of consumers. Renovation and redecorating inspired one in five consumers to buy new upholstery furniture: 11% reported redecorating a room and 9% cited home renovations.

A majority of consumers, 81%, researched upholstery furniture prior to purchase. Of those who researched, 26% researched online exclusively, 44% researched both online and in-store, and 11% researched exclusively in retail stores. On average, those researching online visited 5.7 websites; those visiting retail stores to research upholstered furniture visited an average of 2.4 stores before making a purchase. Retailer websites are the most popular sources used in the research process, used by 66% of consumers. Six in 10 consumers reported visiting a brick-and-mortar store, 43% used a search engine, and 40% used a marketplace website, such as Amazon.

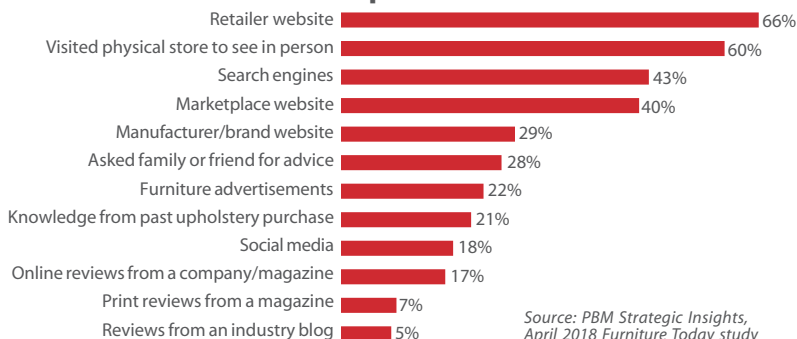


35% of consumers purchased their upholstered furniture as a set.

Did you research before purchase?



All sources used in research process



Source: PBM Strategic Insights, April 2018 Furniture Today study



Seven in 10 consumers research upholstery furniture online

Seventy percent of consumers who have purchased upholstery furniture in the past two years researched online before buying, according to exclusive data from Furniture Today. Fifty-seven percent of consumers used their laptop to conduct research online, making it the most used device. Mobile phones were close behind with 51% of online researchers using it to explore upholstery furniture. Forty-five percent used a desktop computer and 29% of consumers used a tablet to research online. Conducting a search using a search engine such as Google was the first step on the online research path for 27% of consumers. One-quarter of consumers read evaluations on retailers' websites, while 14% read them on marketplace websites, such as Amazon.

Fourteen percent of online consumer research began by reading reviews on websites belonging to companies or magazines that review product, 11% sought out information from retailer websites. While only 3% of consumers began their research for upholstery furniture on social media, 18% used social media for research at some point in their purchase journey. Among those using social media for researching their upholstery purchase, eight in 10 used Facebook, by far the most used social media platform; 41% utilized Pinterest; 36% accessed Instagram; and one-quarter watched YouTube. When asked how social media influenced their upholstery purchase, one theme that consumers spoke of was utilizing social media for design ideas. One consumer from the Northeast expressed, "The sites showed fully decorated rooms. With the different styles and tastes that one could use to envision what was appealing and attractive according to our want list."

Another theme was the assistance social media provided in getting opinions from others. A Northeastern consumer explained, "It definitely influenced my purchase because I could read reviews

from real people as well as see the photo from their point of view instead of what was shown on the website. If the picture looked different from the website, usually I would not buy the piece of furniture."

Others used social media to look at brands and retailers. A respondent from the West said social media "gave me design ideas and recommendations for various brands. Every brand is on Facebook or Pinterest which makes you aware of their online presence." The most popular information sought out online, by 87% of consumers, was pricing.

Sixty-one percent of online researchers sought out

70% of consumers researched upholstery **online** before purchase

Device used in online research



51% of consumers researched their upholstery purchase on their **mobile phone.**



Information research online

87% Pricing

- 81% Features
- 47% Reviews from previous purchasers
- 43% Where to buy in-store
- 34% Brands
- 31% Where to buy online
- 30% Warranty
- 19% Construction

Source: PBM Strategic Insights, April 2018 Furniture Today study

information on features of the furniture, while 47% of consumers looked at reviews from previous purchasers. Fortythree percent looked for brick-and-mortar store locations, and 34% looked for brand information.

More than one-fifth of upholstery purchases online

Of consumers who have bought upholstery in the past two years, 21% purchased the furniture online, according to research from Furniture Today. Online shoppers mentioned the ease and convenience of shopping online as one reason they bought via that medium. "I was able to view a number of sites easily, rather than taking the time to drive to individual stores," explained a consumer from the Northeast.

Another reason consumers purchased upholstery furniture online was not being able to find the product they wanted in a brick-and-mortar store. A Midwestern respondent exclaimed, "It wasn't available in-store for another month!" Another customer liked the fact that all the options were available online, writing, "The item was the size I needed and in the colors I wanted. The dimensions were clear, and I know this retailer carries good quality furniture and I felt if anything went wrong at least I had a brick-and-mortar store to visit in person to discuss any problems."

Price and shipping were also factors for online buyers. One consumer from the South was "able to get the product for \$800 less than in a retail store." Another Southern customer bought online because "shipping was cheaper than delivery charges."

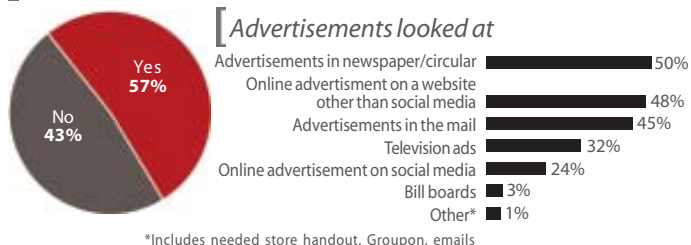
More than half of consumers, 57%, looked at advertisements for furniture or furniture retailers prior to making a purchase. Half of consumers who looked at advertisements looked at ads in a newspaper or circular, 48% looked at online website advertisements, and 45% looked at advertisements that came in the mail. Television ads were watched by 32% of ad-viewing consumers, while 24% viewed advertisements on social media.

For the 79% of consumers who purchased upholstery furniture in-store, only 14% knew exactly what brand and piece of furniture they wanted, leaving a majority of in-store purchases up for influence. The remaining 86% did not know which piece or brand and, in some cases, which type of furniture at all, before entering the store.



Five percent of consumers made an impulse upholstery purchase, as they did

Did you look at advertisements for furniture before purchase?



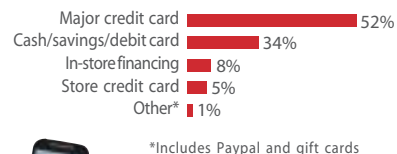
Prior to arriving at the store, did you already know what upholstery furniture you were going to purchase?

- 49% I had a general idea of what I wanted but not a specific brand or features
- 15% I knew what specific piece of furniture I wanted but did not know the brand
- 14% I knew exactly what upholstery furniture I wanted and what brand
- 12% I did not know the brand or piece I wanted to purchase
- 5% I knew what brand I wanted but did not know what specific piece of furniture
- 5% I did not enter the store with the intention of purchasing upholstery furniture

Where did you purchase your upholstery furniture?



How consumers paid for upholstery purchase



not enter the store with the intention of buying upholstery furniture.

The desire to touch and feel the furniture before buying is a main driver for deciding to purchase from a brick-and-mortar retailer. A Southern respondent reports that she purchased in-store because "I wanted to try out the furniture in person. It's important to see the color, size and texture before you have it shipped to your house." Testing the comfort level of the furniture was another oft-cited factor for buying in-store. One consumer from the South "needed to physically try out (the) comfort factor of furniture." Another Northeastern customer explained that "online it's too difficult to get an idea of how comfortable furniture really is."

Nearly 30% of in-store buyers researched upholstery furniture on their smartphone while shopping: 87% were comparing prices, while 44% were comparing features. Thirty-seven percent were researching other retail stores. More than half of consumers used credit to purchase their upholstery furniture: 52% used a major credit card, 8% used in-store financing, and 5% used a store credit card. Over one-third, 34%, of consumers used cash or debit to purchase their case goods item. ■ Source: Furniture Today