

2018 CASE GOODS

PATH-TO-PURCHASE



Presentation
sponsored by



A special supplement of

FurnitureToday

April 2, 2018

Bedroom sets lead case goods purchases

By Courtney N. Thabet

Among consumers who have purchased case goods in the past two years, 55% have purchased bedroom sets, according to exclusive data from Furniture Today's 2018 Consumer Case Goods Path-to-Purchase study. Of this group, 43% bought for their master bedroom, 32% purchased a set for the guest bedroom, and one-quarter bought the furniture for a child's room.

Dressers and bookcases were both purchased by 32% of consumers, with beds being purchased by 29%. Twenty-four percent of consumers purchased dining sets with four chairs.

Forty-five percent of consumers bought case goods to replace older furniture: The most consumers, 28%, cited replacing broken or worn furniture as the reason for their case goods acquisition, while 17% reported replacing furniture that had gone out of style.

About the data

Furniture Today conducted an online survey using a representative sample of 723 consumers who own or rent their home and have purchased case goods furniture in the past two years in February 2018.

Respondents were made up of: 14% Generation Z (ages 18-20), 29% Millennials (ages 21-37), 32% Generation X (ages 38-53) and 25% Baby Boomers (ages 54-72).

The regional classification of respondents was: 22% Midwest, 12% Northeast, 47% South and 19% West.

This research was conducted by PBM's Strategic Insights Team.

Moving into a new home was the second-most stated motive for purchasing case goods: 23% of consumers specified this as their purchasing prompt.

Redoing the home in some fashion provoked 23% of consumers to buy case goods furniture: 12% cited redecorating, and 11% reported home renovations as their reason for purchase.

An overwhelming majority of consumers, 88%, researched case goods furniture prior to purchase. Of that 88%, 49% researched online exclusively, 38%

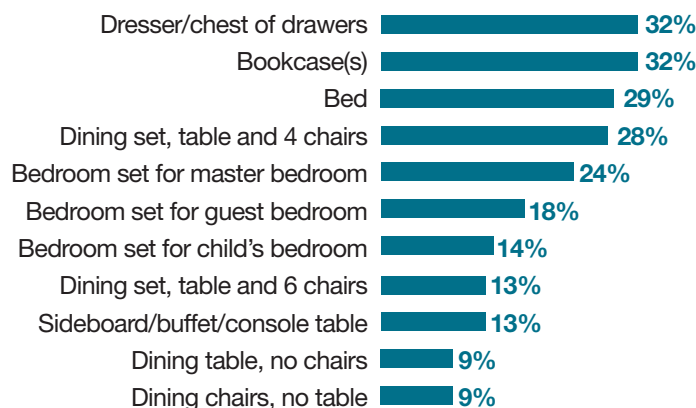
researched both online and in store, and 13% researched exclusively in retail stores.

On average, those researching online visited 5.4 websites; those visiting retail stores to research case goods furniture visited an average of three stores before making a purchase.

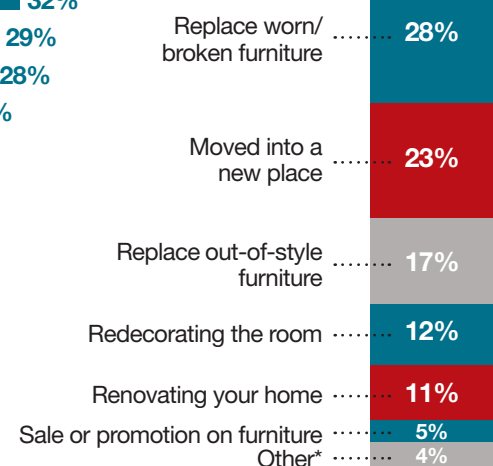
The most popular sources used in the research process by consumers were retailer websites: 69% of consumers cited using store sites in their research process. More than half of consumers, 51%, reported using search engines, while half of consumers who did research visited a physical retail store. Marketplace websites, such as Amazon, were visited by 48% of researching consumers.

Case goods purchases

Previous two years

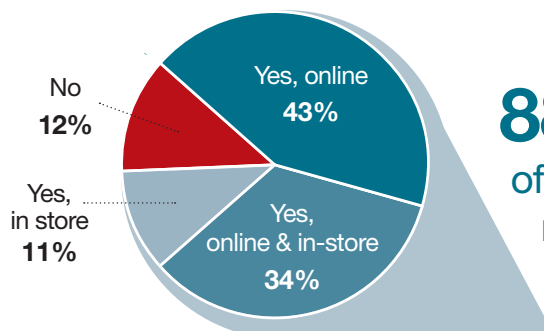


Reason for case goods purchase



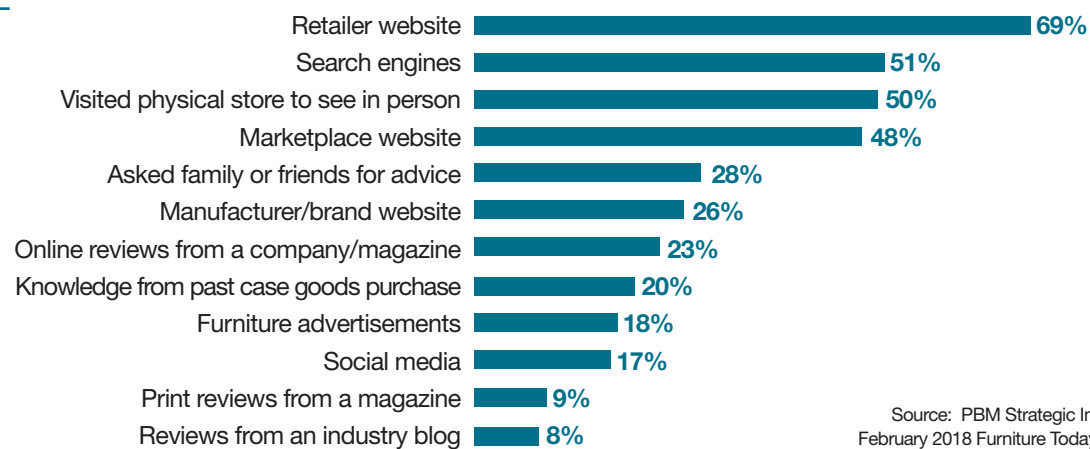
*Includes need for storage, change in family size

Did you research before purchase?



88%
of consumers
researched
case goods
before purchase.

All sources used in research process



Source: PBM Strategic Insights, February 2018 Furniture Today study



Majority of consumers research case goods online prior to purchase

By Courtney N. Thabet

Seventy-seven percent of consumers who have purchased case goods in the past two years researched case goods online before buying, according to exclusive data from Furniture Today.

Laptops were the most-used medium for conducting online research, with 64% of consumers using one. Fifty-one percent of online researchers used their mobile phone to investigate case goods furniture, and 47% used a desktop computer. Less than one-quarter of consumers who researched online used a tablet.

Reading consumer reviews was the first step on the online research path for 34% of consumers: 19% of consumers read evaluations on retailers' websites, while 15% read them on marketplace websites such as Amazon.

Thirty percent of online consumer research began on search engines such as Google and Bing, while 17% of consumers started at websites belong-

ing to companies or magazines that review products.

Only 1% of consumers began their research for case goods on social media, but 17% used social media for research at some point. Among those using social media for case goods furniture research, a majority, 86%, used Facebook, 42% watched YouTube, 36% used Instagram, and 35% accessed Pinterest.

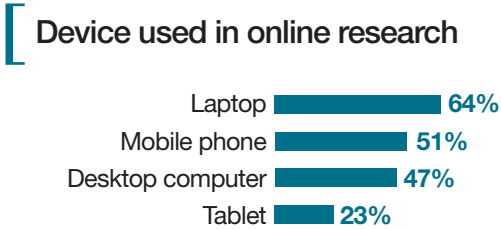
When asked how social media influenced their case goods purchases, one theme consumers spoke of was using social media for comparison purposes: One consumer from the Northeast said, "It helped me to compare and view many brands, locate as well as pinpoint where to find the particular brand with the details I was interested in."

Another theme was the assistance social media provided in visualizing the space and furniture together. A consumer from the South explained: "Pinterest gave me a lot of ideas for different types of bookcases as well as how they might be set up in a room. The visual inspiration was really helpful as I was deciding what piece of furniture to purchase."

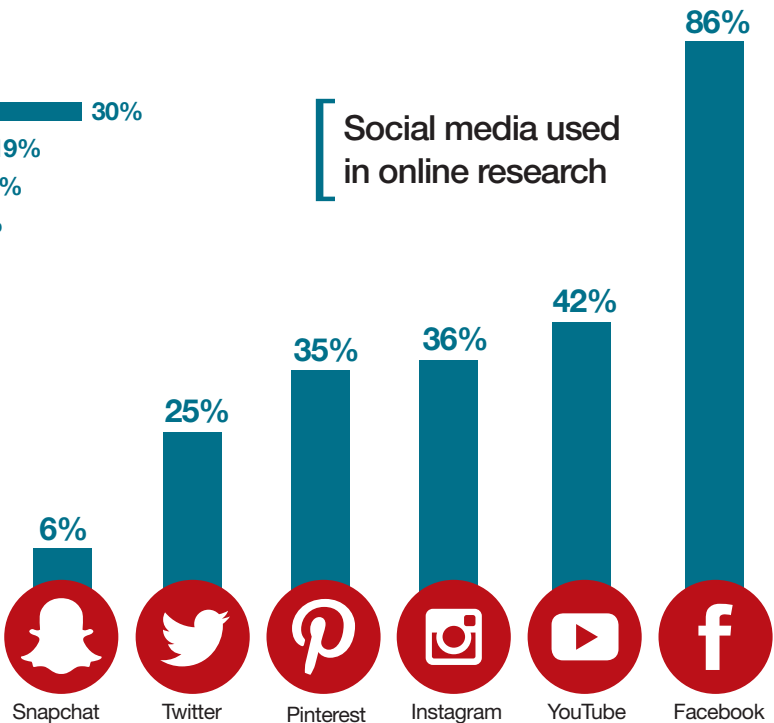
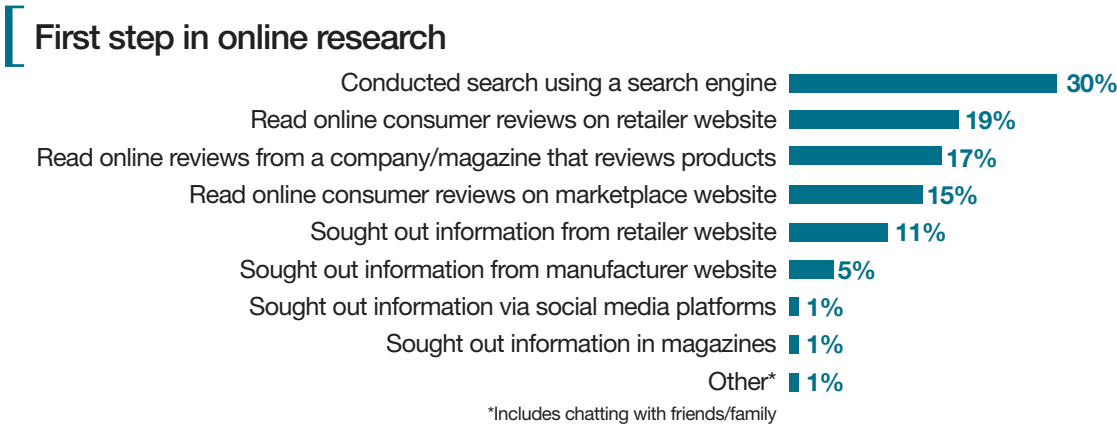
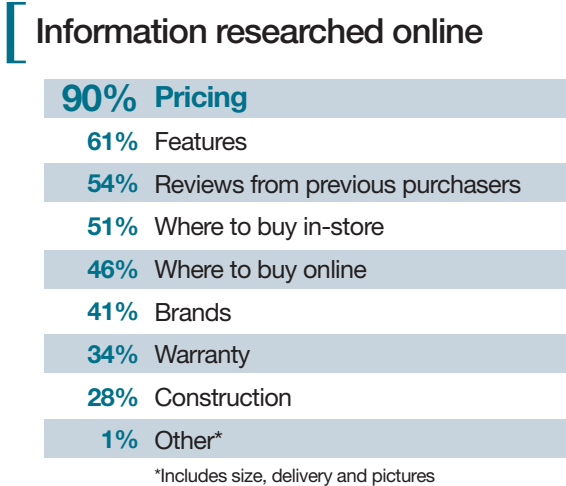
Others used social media to contact friends and family for their input. A Southern respondent stated, "I asked friends and family via social media for suggestions and various opinions."

The most common information sought out online, by nine of 10 consumers, was pricing. Information about the features of the furniture were sought by 61% of online researchers, 54% of consumers looked at reviews from previous purchasers, 51% looked for brick-and-mortar store locations, and 46% looked for online retailers.

77% of consumers researched case goods **online** before purchase.



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



More than one-third of case goods purchases were online

By Courtney N. Thabet

Of consumers who have bought case goods in the past two years, 35% purchased the furniture online, according to research from Furniture Today.

Online shoppers cited ease of shopping as one reason they bought online. "It was the only place that offered what I wanted for a good price and it was easier to have it shipped to me instead of going to a store and getting it," said a consumer from the South.

Another reason consumers purchased case goods online was not being able to find the product they wanted in a brick-and-mortar store. A Mid-western respondent said, "We could not find the particular product locally."

Price and shipping were also factors for online buyers. One consumer from the Midwest found it "easier to browse multiple options and compare, plus lower prices and free shipping (and return shipping if necessary)."

Prior to purchase, more than half of consumers, 52%, looked at advertisements for furniture or furniture retailers. Fifty-eight percent of consumers who looked at advertisements looked at ads that came in the mail, 56% looked at online website advertisements, and 39% looked at advertisements on social media. Television ads were watched by one-third of ad-viewing consumers, while 10% noticed billboards.

For those who made their case goods purchase in store, only 18% knew exactly what brand and piece they wanted, leaving a lot of room for influence while shopping.

The remaining 82% 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 did not enter the store with the intention of buying case goods furniture.

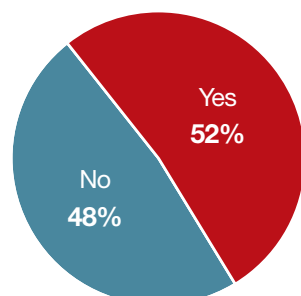
In-store shoppers mentioned the desire to touch and feel the furniture before buying as a key reason for deciding to purchase from a brick-and-mortar retailer. A Southern respondent reports that they purchased in store "so we could physically touch and look at the furniture in person."

Shipping fears were another oft-cited factor for buying in store. One consumer from the South "didn't feel shipping would be very gentle with the product." Another reason for in-store purchase was the immediacy of receiving the product. According to another Southern consumer, "It was convenient, and I needed it ASAP."

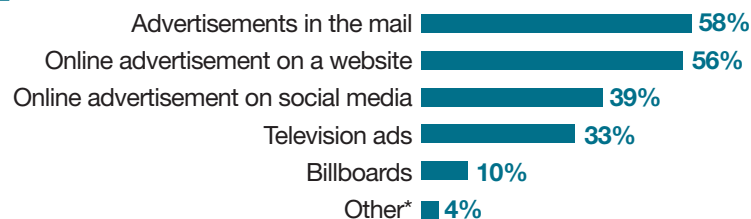
One-third of consumers researched case goods furniture on their smartphone while in-store shopping: 37% were looking at prices, while 22% were looking at other stores.

Most consumers used credit to purchase their case goods furniture: Six in 10 used a major credit card, 8% used in-store financing and 6% used a store credit card. One-quarter of consumers used cash to purchase their case goods item.

Did you look at advertisements for furniture before purchase?



Advertisements looked at

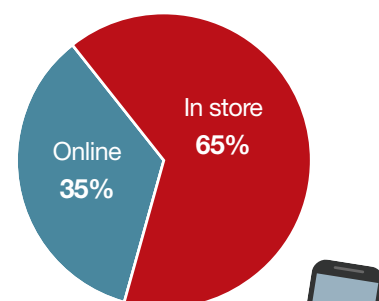


*Includes newspaper and circulars

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

- 30% I knew what specific piece of furniture I wanted but did not know the brand
- 28% I had a general idea of what I wanted but not a specific brand or features
- 18% I knew exactly what case goods furniture I wanted and what brand
- 12% I knew what brand I wanted but did not know what specific piece of furniture
- 7% I did not know the brand or piece I wanted to purchase
- 5% I did not enter the store with the intention of purchasing case goods furniture

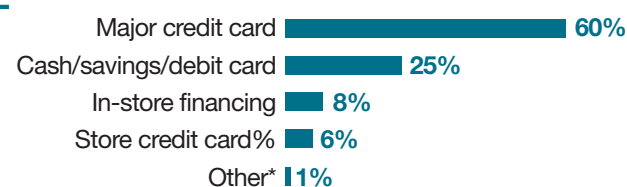
Where did you purchase your case goods furniture?



One-third of consumers who purchased case goods in store researched on their mobile phone while shopping.

Of those, **37%** were comparing prices.

How consumers paid for case goods purchase



*Includes gift cards and combination

