



Furnishing the future



Tech-driven trends transforming home furnishings commerce

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Looking back, moving forward



The year is 2019. Furniture shopping means showroom strolls, a tactile and sensory experience that has long-defined home furnishings retail. However, the onset of lockdowns abruptly closes storefront doors, pushing homebound consumers into the digital realm. As shoppers seek comfort and support, retail platforms swiftly pivot to better cater to their exploration and purchasing needs. As a result, online sales for home furnishings skyrocket, peaking at US\$133 billion by 2021, and claim a 17% share of the total ecommerce market.

During the pandemic, the shift to digital shopping became a lifeline for consumers, marking a significant turning point in the way home furnishings are discovered and bought. While today furniture shoppers [once again prefer](#) to shop in stores, they've integrated digital aspects into their shopping journey.

As furniture retailers invest in digital solutions to enhance new, hybrid customer journeys, they face unique challenges. The relatively high cost of furniture and home goods drives shoppers to carefully consider their investments and ensure every purchase ticks multiple boxes—built to last, serves their needs, and looks great. This complexity leads to heightened risk perception, as returns are often difficult and costly. **Unlike frequent purchases in other categories, furniture requires retailers to build lasting loyalty from the very outset, with every touchpoint approached as a high-stakes interaction.**

Leading home furnishings retailers are maximizing their online channels through tech-driven innovation. Brands are combining the best of both online and in-store worlds for their customers by offering unified commerce. They're making investments to optimize shopping through highly personalized interactions, immersive experiences, customizations, streamlined checkout, and flexible fulfillment—both in real life and digitally.

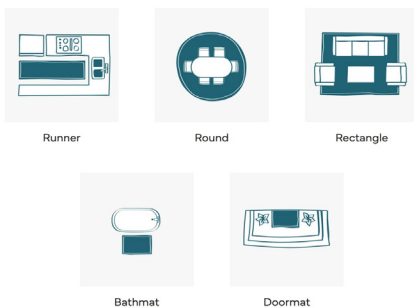
01

Transforming the home furnishings customer journey

Today's shoppers don't see channels the way retailers do. They simply shop. This means home furnishings retailers need to take a unified approach that ensures a seamless customer experience across all channels, from in-store to online. Imagine your customers effortlessly transitioning from browsing Pinterest for inspiration to taking an [online quiz](#) designed to narrow down options, scheduling in-store consultations for expert advice, and ultimately placing their orders conveniently from the comfort of their homes. Retailers who embrace this unified philosophy understand that it's not about pushing products through individual channels, but about crafting a holistic brand experience.

What shape of rug are you looking for?

Please choose one



To make the most of evolving paths to purchase, furniture retailers aren't just optimizing their ecommerce offerings. Studies reveal the modern shopper interacts with an astounding [11 different touchpoints](#). While [53% of shoppers](#) bought furniture in-store in 2022 according to Statista, other studies show that across retail, [90% of a buyer's research occurs online](#), including retail sites (42%), search engines (25%), retail apps (13%), a brand's own site (5%), and social media channels (4%). An integrated experience lies at the heart of unified commerce, a crucial strategy for furniture retailers navigating today's dynamic landscape.

Pushing past omnichannel to unified commerce

Unified commerce presents a transformative paradigm shift for retailers. It overcomes the limitations of fragmented operations, seamlessly fusing online and offline environments into a single, integrated system.

This comprehensive approach unlocks crucial benefits:

Enhanced customer insights

By unifying customer interactions across all physical and digital touchpoints, retailers gain a holistic understanding of individual preferences and behaviors. This empowers hyper-personalization at every step, tailoring experiences to drive engagement and conversion.

Elevated customer experience

The result is a smooth, personalized journey for every customer. Every interaction seamlessly reflects their individual preferences, fostering loyalty and building long-term value.

Streamlined operations

Inventory management becomes a seamless, transparent process in real time regardless of location. Flexible fulfillment options—online or in-store pickup with swift delivery—become flexible and efficient, meeting customer needs in the most cost-effective way.

From discovering inspiration across channels to accessing comprehensive post-purchase support, shoppers experience unified commerce as personalized and convenient. This fosters loyalty, boosts conversion rates, and provides valuable customer insights—ultimately driving the success of home furnishings retailers in the ever-evolving omnichannel landscape.



03

Reimagining the in-store experience

As previously noted, online furniture sales lag behind in-store purchases, which is right in line with general retail trends. According to research from Shopify, the top reason consumers shop in-store is a simple one: 35% say it's more fun. Another 24% want to interact with products before buying.

Reimagined showrooms

However, the traditional furniture shopping experience, with its cluttered layouts and pressure to buy, is being eclipsed by a new approach: the showroom. These innovative and inviting spaces prioritize customer experience. Visitors can immerse themselves in the world of furniture, testing textures, gathering inspiration, and envisioning pieces within their own homes.

Furniture retailers can also invite consumer expectations for convenience into the showroom with them. While [studies show](#) shoppers still prioritize quality (32%) and price (30%) over convenience (13%), a full 97% of shoppers state they have backed out of a purchase because it was inconvenient to them, and 93% of shoppers say they are more likely to choose a retailer based on convenience.



Untethered commerce

Leading brick-and-mortar retail environments are no longer leaning back and watching as customers compare prices and read reviews while browsing their showrooms—they are embracing this hybrid approach. After all, along with reading online reviews and checking inventory availability, customers can place items in a shopping cart on one device at home, visit the showroom, and continue the checkout process in-store, or on a different device, allowing them to completely bypass the traditional furniture buying process.

Enabling untethered commerce on the showroom floor allows retailers to even better facilitate checkout. Transactions can be effortlessly completed by simply scanning a [QR code on a couch](#), for instance, which then directs the customer to the corresponding product listing online. According to Statista, marketers predict that nearly [100 million US smartphone users](#) will embrace scanning QR codes by 2025.

This hybrid approach empowers customers to browse at their own pace, finalize decisions on their own terms, and choose whichever delivery and payment option suits their needs. Customers can also



complete transactions with store reps via mobile POS devices, like [Shopify POS Go](#), improving a customer's checkout experience, especially in large, busy showrooms, wherever they are on the show floor. This ensures that sales are accurately credited to the store representatives, even if the store representative adds items to the customer's digital cart and the customer checks out online.

[Shopify Point of Sale](#) (POS) system easily facilitates synchronized sales across online stores, physical locations, and mobile platforms. It offers retailers, like [Banana Republic Home](#), real-time transactions, inventory management, and unified customer data for a cohesive shopping experience. Additionally, by offering checkout through Shop Pay, Banana Republic Home reaches 100 million high-intent shoppers and provides them the opportunity to become part of Banana Republic Home's loyalty platform.

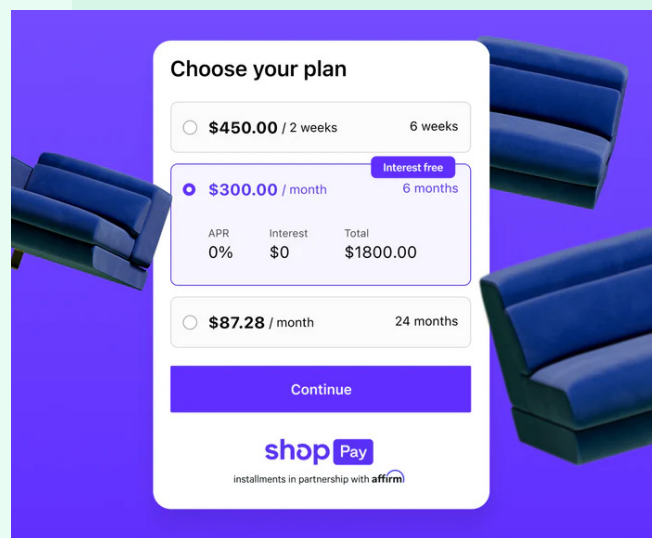
Moving beyond the confines of online or offline, Shopify's Point of Sale system effortlessly blends the two. Parachute Home started as an online-only business but now has more than 20 stores in major cities across the US, including Los Angeles and New York. They take showrooming to the next level with stores that have full working kitchens and bathrooms where shoppers can test out Parachute products. [Using Shopify's point-of-sale and ecommerce systems](#), they've also noticed a nice halo effect with positive impact on their ecommerce business in areas served by their stores.

But for brands that lack unified systems, inconsistency can present a stumbling block. Such disconnects not only damage customer satisfaction but also lead to lost sales. Offering the same product range across all channels, with clear availability and purchase options, is key. This integration creates a unified experience that empowers customers and maximizes convenience, turning the showroom into a springboard for online sales. By embracing this shift, furniture retailers can cater to the evolving needs of modern consumers and unlock significant growth potential.

Pop-up shops

Untethered commerce—via POS technology and unified back-end operations—allows home furnishings retailers to let go of the infrastructure once needed to support a traditional retail experience. Along with optimized showrooms, pop-up shops are an outcome of versatile, all-in-one back-end solutions. Furniture pop-up shops offer exclusivity and curated experiences, tailored to specific demographics and timed for seasonal relevance. Imagine the convenience of entering a room or even staying in one, where you have the ability to scan a code for the pillows, bed frame, and other items that have caught your eye. According to [Statista](#), consumers are drawn to pop-ups as a unique experience (55%) and as a more personalized one (29%) among other factors.

Since 2018, UK furniture retailer [Sofa Club](#), which operates entirely through pop-ups, has used Shopify to optimize a wide range of its operations. Digital terminals are used not only for untethered checkout but for check-in, capturing customer emails for ongoing marketing initiatives. Along with relationship-building on digital channels, Sofa Club uses Shopify to nurture abandoned carts and support the customer review process, seeing game-changing improvements on all fronts. With enhanced operations focused on customer experience, year-over-year (YoY) revenue is up 244%.



Virtual carts

To accommodate the blurring of online browsing and in-store exploration, virtual carts emerge as a powerful tool, bridging the gap between the digital and physical worlds. For example, a customer discovers their dream couch online and adds it to their virtual cart. Later, drawn by fabric options, they step into the retailer's showroom. While browsing, they find matching cushions and a statement rug—perfect additions to their home decor vision.

With a tap or a quick chat with a salesperson, these new treasures join their virtual cart. Back home, they review all their finds together, tweaking upholstery choices with a single click, before completing a satisfying, unified purchase complete with a convenient [installment payment plan](#).

Virtual carts don't just offer convenience; they empower associates to assist both online and in-store, ensuring smooth transitions and well-deserved commission attribution.

Immersive showroom experiences

While some brands craft immersive vignettes with curated kitchens and bathrooms, others, like [Beni Rugs](#), take home-inspired showrooms to a whole different level. Retailers embracing immersive showrooms craft entire experiences that invite customers to dive into their product universe, transcending the limitations of traditional retail spaces. These environments might take the form of a restaurant, coffee shop, or even hotel that functions as an interactive stage for their products. Beyond showcasing their plush, handwoven rugs in a beautifully styled brownstone in New York City, Beni Rugs extends the experience by offering customers a visit to their production facility in Marrakech. This immersive journey allows shoppers to witness the handcrafted process firsthand, deepening their connection to the product and brand story.

This model was arguably pioneered by Shopify-powered [abc carpet & home](#), whose first restaurant, [abc kitchen](#), made waves with standout fare from celebrity chef Jean-Georges Vongerichten and tableware from their collection. Today, the brand operates a robust direct-to-consumer (DTC) ecommerce store in two retail showrooms in

New York City that sell furniture, carpet, rugs, bedding, lighting, and more. They also invite customers to experience their products in their three [abc restaurants](#), all of which occupy the same block as [abc carpet & home's](#) flagship location at 888 Broadway in Manhattan. Their restaurants highlight the versatility of the collection, featured in beautifully lit, fully accessorized environments.

Another creative approach to immersive showrooms comes from Roman and Williams, founded as a multidisciplinary architecture and design studio. Known for signature hotels, restaurants, homes, and cultural spaces, Roman and Williams makes the most of their holistic design approach in their retail ventures. They feature their premium line of housewares and architectural accents in [a variety of commercial settings](#). Taking it even a step further, they promote their aesthetic vision at their New York-based [Guild Gallery](#), showcasing “the work of emerging and established artists from around the world, with an emphasis on materiality and craft in ceramics, stone, glass, and more.”



04

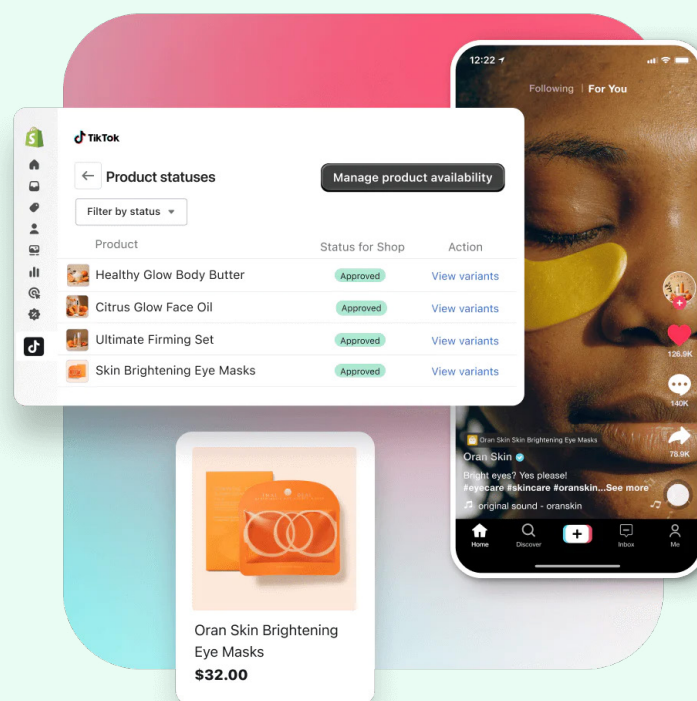
Turning social media into your showroom

Consumers crave the tangible experience of showrooms, but for inspiration, they turn to social media. Its impact is undeniable, not only for discovery but sales as well. This confluence presents a unique opportunity—to bridge the gap between ecommerce and social media—in support of enhancing every touchpoint in the furniture buyer’s path to purchase.

And the data is clear: social commerce is surging.

Black Friday 2021 saw commerce sales generated by social integrations nearly triple year-over-year (YoY). Shopify supports social selling by helping retailers integrate with social sales channels like [TikTok](#), [Meta](#), [Pinterest](#), and [YouTube](#). The Shopify back end delivers insights into social performance that can be used to inform future marketing campaigns.

Not surprisingly, younger generations are driving the momentum behind social commerce. Gen Z in particular relies on [TikTok’s discovery power and YouTube’s in-depth exploration](#), making platform awareness crucial. While [94% of millennial shoppers and 69% of Gen Z shoppers](#) report later purchasing a product they saw on social media, slightly [more than half](#) make purchases directly on social channels.



Cross-pollinating audiences via partnership

Social media influencers and celebrity-driven marketing have proven power in retail.

One-third of shoppers say influencer recommendations mean more to them than those from friends and family.

Social endorsements sway retail, influencing purchase decisions across various product categories. A [quarter of social media users](#) bought a product based on influencer recommendations in 2023. The [Cloud Couch](#) and the [Costco Couch](#), among others, have achieved viral status and gained significant attention through platforms like TikTok. Target's [collaboration with Jungalow](#), where designer, influencer, and best-selling author Justina Blakeney codesigns and promotes a collection, perfectly exemplifies this trend. [Junaglow uses Shopify](#) to sell DTC, but the brand also partners with Target on exclusive items. Target gets access to Blakeney's fans, while Jungalow enjoys access to Target's scale in both customer base and fulfillment operations.

Ruggable is another home good retailer—powered by Shopify—[partnering with influencers](#) and capitalizing on significant cultural moments, such as the release of [the movie Barbie](#). As their relationship with Netflix's *The Home Edit* hosts Clea Shearer and Joanna Teplin exemplifies, well-realized partnerships can go beyond promotion to include collaboration.

“
Collaborations are a great way for us to reach new audiences and expand our collection.”

Daniel Graupensperger
Associate Director,
Product Management at Ruggable

Designer partnerships can be a great source of publicity. English Virgil Abloh fans camped out overnight to buy IKEA products he designed.

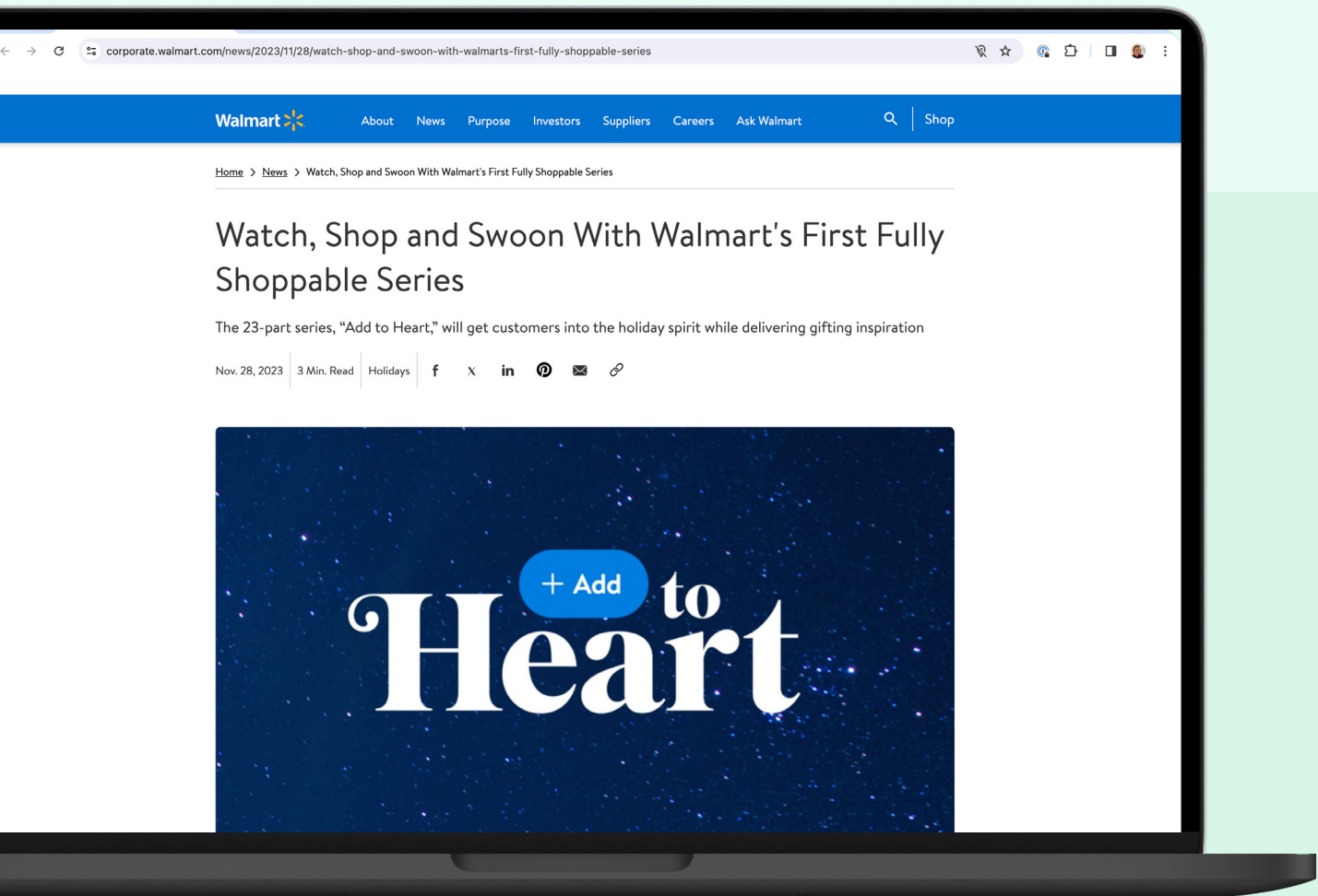
Cross-pollinating audiences through strategic partnerships opens new markets and accelerates growth. Imagine partnering with renowned designers to amplify your reach and inject a dose of cool. At the other end of the spectrum, micro-influencers, discoverable through [Shopify Collabs](#), can act as trusted guides, leading niche audiences to a retailer's brand. Even [collaborating with other retailers](#) can open doors to new markets and cross-promotion opportunities. In all of these scenarios, cross-pollinating audiences helps home furnishings retailers break into new markets, reach new audiences, and even create a positive spillover effect that enhances their brand image.



A new frontier in social selling

Contemporary furniture shoppers crave more than passive product displays. This is just as true in digital shopping experiences as it is in the showroom. Consumers seek interactive experiences that foster connection and inspire action. Social media platforms, with their capacity for entertainment, innovation, and audience engagement, rise to meet this demand.

Consider Walmart's "Add to Heart," a pioneering [shoppable film](#) that blurs the lines between entertainment and commerce. Viewers seamlessly transition from entertaining scenes and stories to a curated marketplace, empowered to purchase over 330 items, from stylish furniture and festive décor to the cast's on-screen outfits. This immersive approach, spanning platforms like TikTok, Roku, YouTube, and Walmart's own channels, exemplifies how social commerce can transform inspiration into immediate action, driving both brand loyalty and sales.



Bridging the gap between B2B and DTC

The furniture retail landscape is undergoing a significant transformation across all customer segments. Traditional siloes separating B2B (business-to-business) and DTC operations are dissolving, paving the way for a more interconnected ecosystem. Home furnishings retailers are recognizing the value in bridging these channels, creating a unified experience that caters to wholesale and individual customers as well as interior designers or consultants, who may serve as intermediaries.

Shopify offers powerful tools in this evolution, delivering a robust platform capable of seamlessly managing both B2B and DTC operations. This unification unlocks several key benefits for furniture retailers:

Enhanced efficiency

Streamlined processes eliminate the need for separate platforms and manual order processing. Centralized platforms manage both B2B and DTC transactions efficiently, freeing up valuable time and resources.

Data-driven insights

Retailers gain a comprehensive understanding of customer behavior across both B2B and DTC channels. A unified platform helps retailers make the most of analytics with insights into purchase patterns, preferences, and trends. Retailers can then personalize offerings, refine marketing strategies, and optimize inventory management.

Unified customer journeys

Consistent and intuitive experiences serve all customers, regardless of their purchase type. Interior designers sourcing furniture for their clients, individual homeowners seeking stylish pieces, and bulk wholesale buyers can all navigate the same user-friendly interface, fostering brand loyalty and customer satisfaction across the board.

Scalability for growth

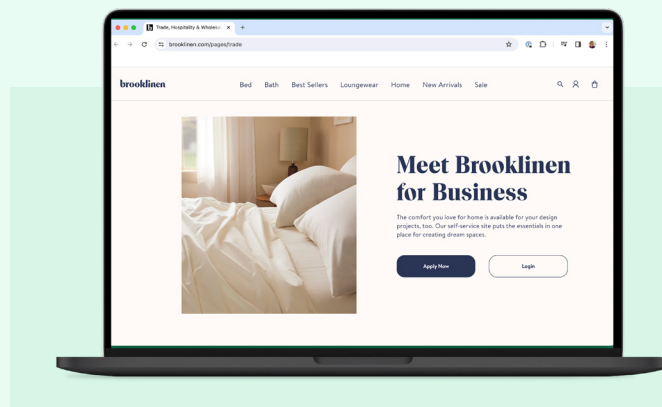
As a business expands, a unified platform scales with it. Flexible infrastructure accommodates growth into new markets and customer segments, regardless of order size or complexity.

Strategic partnerships based on unique buying needs

Unified platforms also allow retailers to cater to the unique requirements of both interior designers and wholesale buyers. For example, retailers can forge strategic alliances with designers by offering competitive discounts and streamlining their B2B access as [Australian tile retailer TileCloud does](#), resulting in a 34% YoY increase in order value and a 24% YoY increase in B2B customer signups. Shopify further empowers designers by allowing them to curate personalized storefronts showcasing partner retailer products as part of [Shopify Collective](#), creating bespoke experiences for their clients.



The benefits of personalized experiences extend to wholesale customers as well, driving efficiency and growth. Consider Brooklinen's shift from the manual, time-consuming process of taking B2B orders over the phone. The Brooklinen team says they have been taking B2B orders for as long as the brand has existed. By [migrating their B2B operations to Shopify](#), Brooklinen created a self-service [B2B portal](#) that mirrored their DTC experience. As Nicolas Lukac, director of emerging channels at Brooklinen, explained before implementing Shopify, "The core of our B2B business is really the hospitality business. Right now all of that is handled offline. There's no way for our customers to have a personalized experience like our DTC customers do online." With Shopify, Brooklinen streamlined processes but also provided invaluable data insights, propelling their brand forward.



Data-driven insights enhance personalized buying experiences as well. As Kelly Hallinan, senior vice president of emerging channels at Brooklinen, explains, "Now, we can see that a large hospitality group purchased from us six months ago. We know the average amount of time in-between orders, and we can say, okay, we're at that point where we can send them an email asking about placing a reorder. It's much harder to do that without Shopify's back-end system." As a result of automation and analytics, their staff can spend 80% of their time working with customers while unlocking self-serve for customers to manage their orders.

The furniture retail landscape is no longer defined by disconnected channels. Instead, B2B and DTC are becoming seamlessly interconnected and powered by platforms like Shopify. By embracing unification, furniture brands can craft exceptional customer experiences, forge strategic partnerships, and achieve sustainable growth in a dynamic market.



Breaking barriers with spatial commerce

Emerging technologies like augmented reality (AR) and virtual reality (VR) hold great promise for furniture brands seeking to further rewrite the customer journey through hybrid experiences both at home and in-store. While 3D visualizers have become commonplace in retail with their basic rotation and finish variations, AR and VR provide a new level of immersion, empowering shoppers to confidently make informed decisions.

These technologies are particularly effective in the realm of spatial commerce, allowing customers to grasp the true function and scale of furniture pieces far better than static images. The shift to interactive visualization marks a pivotal step in transforming the furniture shopping experience, bringing the thrill of physical exploration into the comfort of a customer's own home—[or allowing brick-and-mortar shoppers to effortlessly invoke their living space on the showroom floor.](#)

Briefly explained, augmented reality is a technology that overlays digital information onto a view of the real world, allowing users to experience and interact with a hybrid environment where the virtual and physical coexist. In the context of a furniture shopper's home, AR can be used to provide a real-time, seamless preview of furniture pieces in terms of size, scale, and style. Steve Bauer, VP of ecommerce and digital at Arhaus, puts it this way: "If you think about a sectional sofa, you could have a right arm or a left arm. You could make it as big or as small as you want, depending on your space." Additionally, in a brick-and-mortar showroom, customers can use AR to superimpose images of furniture they are considering on the image of a living space they have previously uploaded.

VR takes this immersion even further by creating a purely artificial environment with virtual rooms. A VR shopper wouldn't upload an image of their room; the computer would create a virtual room for them. Customers are transported into virtual showrooms where they can explore entire room designs and interact with furniture in a hyper-realistic environment.



AR and VR gain mainstream traction

Research shows growing customer interest in AR furniture shopping. In a [2022 study](#), 94% of Gen Z, 92% of millennials, 87% of Gen X, and 75% of baby boomers reported interest in seeing AR simulations of what a piece of furniture would look like in their home. Shopify's head of AR/VR Daniel Beauchamp [explains](#), "[A customer] wants to say, 'What does this couch look like in my living room?' You click one button, the camera turns on, and that couch is right there. You can move it around, you can position it however you want, you can take photos, send it to your spouse—it's mind-blowing."

Consumers are interested in seeing AR simulations of furniture in their homes

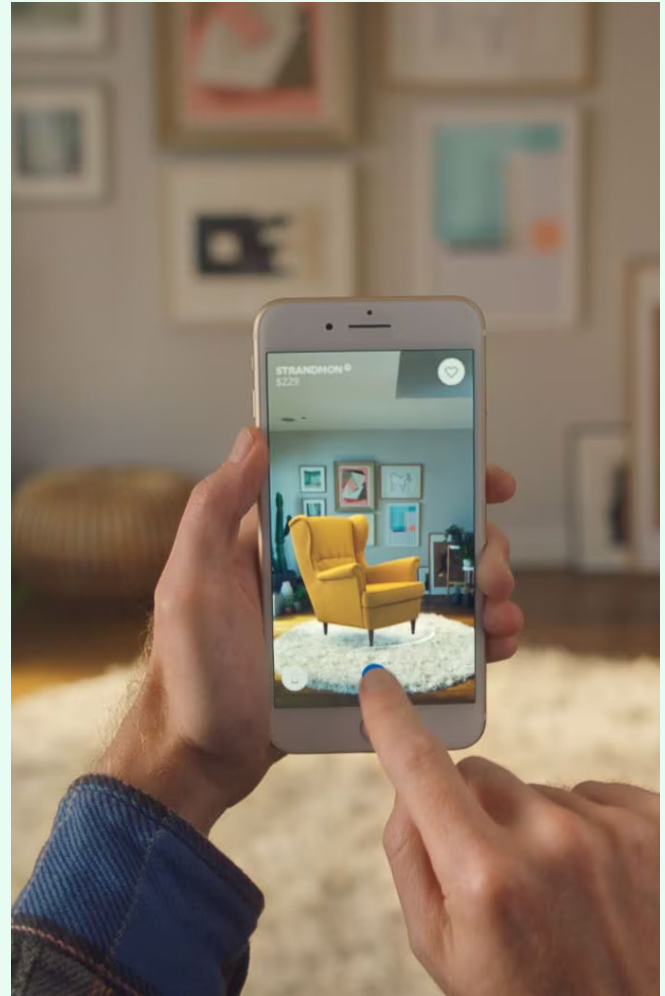
94%
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Shopify's recent [AR study](#) reveals a 44% increase in cart additions and a 27% rise in orders when customers interact with 3D products. Shopify also found that visitors were 65% more likely to place an order after interacting with a product in AR. These figures showcase the impact of immersive technologies on customer engagement and conversion rates. It should be no surprise that [IDC estimates](#) \$2.7 billion USD will be spent on AR/VR retail showcasing in 2024.



AR and VR can play a particularly important role in responding to the trend of "space saving" and "modular furniture." In fact, in the furniture sector, IKEA was the first major mover in spatial commerce, launching its [IKEA Place app](#) in 2017, and the concept lives on in today's [IKEA mobile apps](#).

With the rise of smaller living spaces and a focus on maximizing functionality, furniture that serves multiple purposes and saves space is gaining popularity. For example, if you buy a Murphy bed, you need to be able to visualize the space with the Murphy bed folded up as well as extended out. AR and VR are well suited to deliver, doing their part to bridge the gap between online and offline shopping by providing customers with a more immersive and confident buying experience.

Customization and configuration take center stage

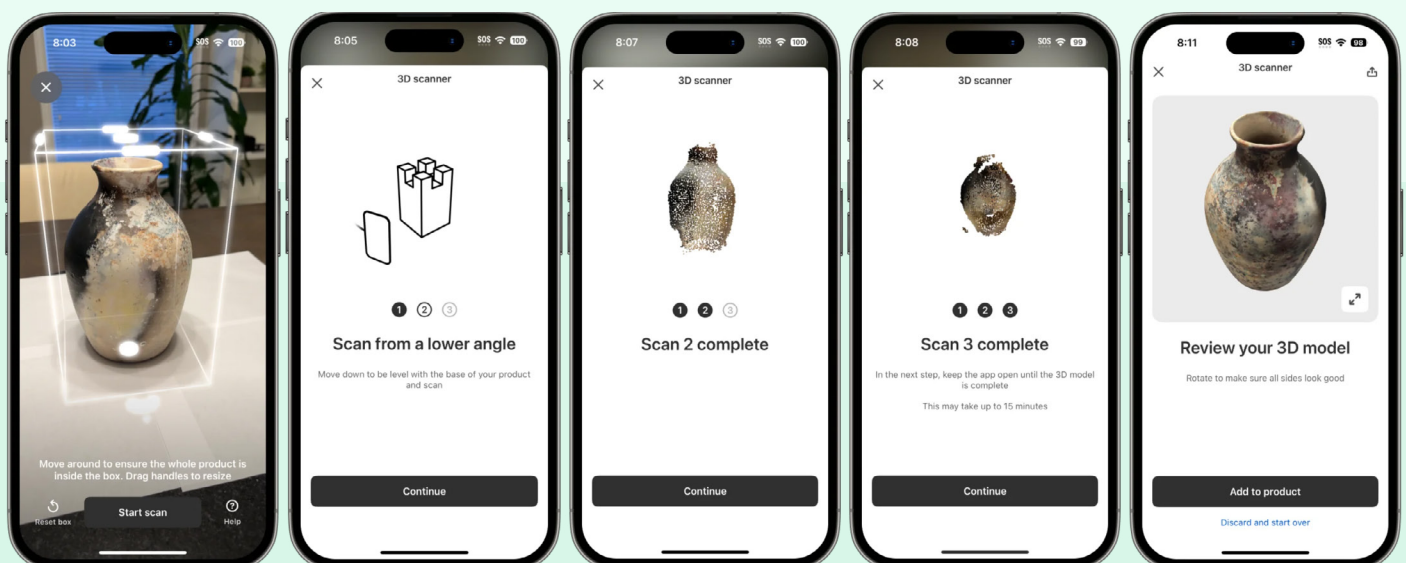
As furniture shoppers strive to optimize their living spaces, they are not only exploring the full range of available options but also aiming to personalize the retailer's offerings to best complement their unique styles and spaces. This is where the capabilities of "configure your own" and "design your own" come into play, with design quizzes and spatial commerce facilitating carefully considered decision-making processes.

By employing AI image generation and 3D modeling tools, furniture brands like Lulu and Georgia are empowering customers to choose everything from fabrics and finishes to modular components and add-ons. This interactive experience strengthens brand affinity, increases purchase satisfaction, and minimizes returns.

To ensure the effectiveness of AR, VR, and configuration solutions, retailers must prioritize making images of all variations readily available and carefully assess the impact on site speed. While made-to-order pieces are a popular offering for many merchants, showcasing the vast array of customizable options can be difficult without

physical samples. AI image generation and 3D modeling bridge this gap, allowing customers to visualize their unique creations before placing an order. This not only enhances the customer experience but also offers significant benefits in terms of time and cost savings in the product merchandising and media assets space. With the ability to create media assets on the fly, retailers no longer have to rely on a team or stage a physical space, resulting in increased efficiency and flexibility in their marketing efforts.

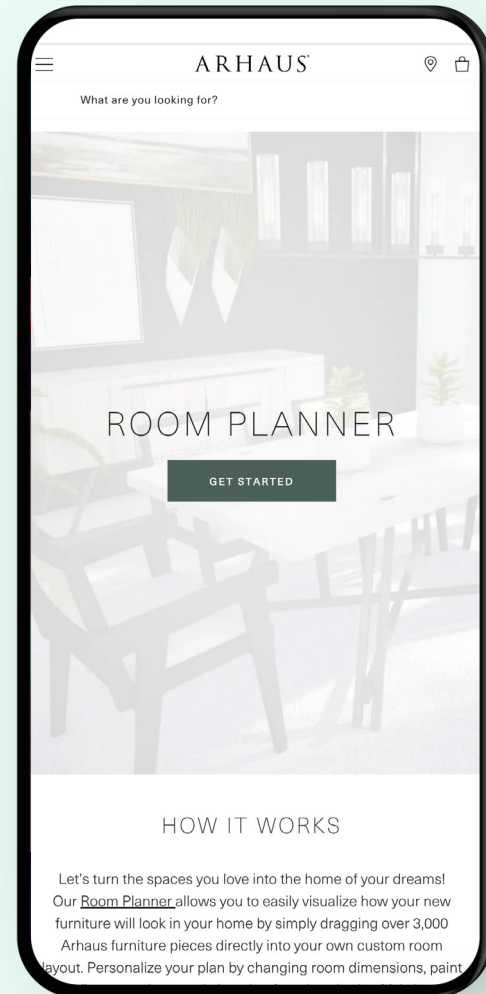
As home furnishings retailers enable spatial commerce on their platforms, they set each final configuration of their products as an existing SKU or use a bundle-like structure to record the buyer selections. Shopify accommodates both options using metafields (custom attributes), product groupings, and bundles. For example, a shopper would configure their preference using an interactive wizard that guides them through options to eventually land on their preferred variant. In addition, Shopify enables the creation of 3D imagery through [a simple 3D scanner](#).



Spatial commerce in action

Arhaus provides shoppers with a [3D Room Planner](#), allowing customers to upload photos of their living spaces and superimpose furniture into them, as well as interactive, [shop-the-room](#) visualizations. Similarly, Apt2B's [furniture visualizer tool](#) lets users upload a photo of their space and drop furniture pieces onto it. Users can try pieces with different dimensions and different fabric colors. They can also reposition items and spin them 360 degrees to experience them from different angles. Another example comes from Leon's, which offers an [innovative AR feature](#) that lets customers scan their rooms with their smartphones, virtually placing furniture pieces and witnessing their scale and style in real-time.

For furniture retailers seeking to embrace spatial commerce, [Shopify AR](#) is designed to work in web browsers, removing any friction for customers who want to view retail items in augmented reality. "You don't have to download an app," explains Beauchamp. "We didn't want our customers to install anything special on their phones, get an app, or download a plugin," explains Anis Tayebali, head of engineering at Lulu and Georgia. "We wanted to eliminate all those requirements. So we waited until the technology matured enough that it became universally available on everyone's phone."



Shopify is exploring a variety of applications for AR and VR technology, including:



At-home AR and VR for furniture visualization, including the ability to clear an entire room and apply full new designs



In-store integrations that allow shoppers visiting a retailer's showroom to visualize the furniture they are looking at in their own living space



AR instruction manuals for consumers buying assemble-it-yourself furniture

Automating and personalizing the future with AI

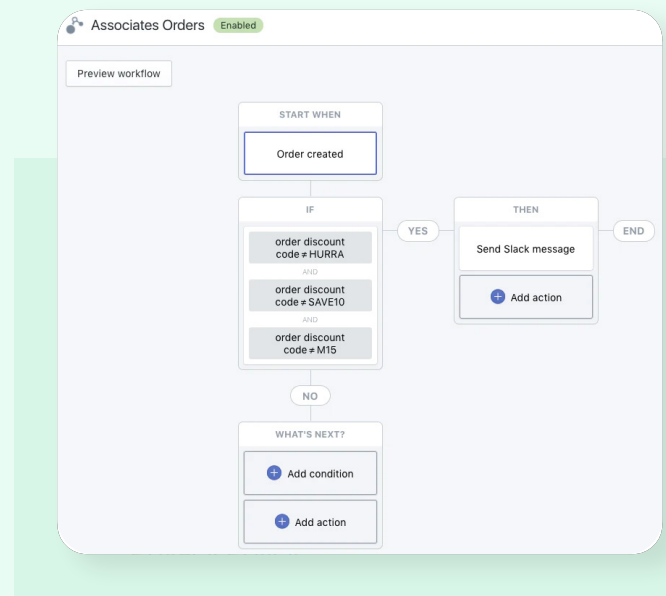
Artificial intelligence (AI) offers a transformative solution for home furnishings retailers that are upping the ante on flexibility and variety, empowering them to keep up with consumer expectations and increasingly complex operations. AI offers automation to expedite mundane tasks and personalization to enhance the shopping journey.

Automation: new levels of operational efficiency

Automation, fueled by AI, isn't just about making the customer experience smoother; it empowers furniture retailers to operate at a new level of efficiency. Imagine tedious tasks like writing product descriptions. For furniture retailers managing hundreds if not thousands of SKUs, Shopify's new AI capabilities help retailers automatically generate SEO-optimized product descriptions. AI's capabilities extend to inventory management, returns, and promotions. For its sales page, mattress manufacturer and retailer uses Shopify to enable a variety of discounting strategies, including percent discounts and buy-one-get-one free offers.

As Mark Nagelmann, head of e-commerce at [Lull](#) explains, "Shopify powers our store with flexible automation. Promotions, content, and prices adjust seamlessly, logistics flow smoothly, and AI even writes engaging product descriptions." With AI's help, retailers find that their staff is freed up for creative endeavors like crafting compelling campaigns, curating unique selections, and offering bespoke customer service.

A prime example of automation in action can be found at [Interline](#), a Shopify furniture retailer utilizing Shopify Flow to automate tasks like order handling, inventory updates, and refunds. This automation, once handled manually, now saves them hundreds



of hours annually. This in turn frees them to reinvest in other areas and improve the customer experience. Similarly, [CozyKids uses automation](#) to manage decreasing stock, engage customers for out-of-stock items, and automate marketing campaigns, resulting in significant operational improvements.

In their pursuit of streamlining both checkout and fulfillment, FatHead—the pop culture giant selling famous wall graphics of pro athletes, superheroes, and more—[implemented Shopify Flow in combination with Shop Pay](#). The latter simplifies customer checkout, allowing shoppers to complete orders in a single click. The result was a 46% increase in average order value with a 10% increase in conversion rates.

Personalization: more certainty and confidence in every purchase

Buying furniture is fraught with uncertainty. As discussed earlier, shoppers worry about scale, style compatibility, and functionality, often leading to decision paralysis or costly returns. Along with immersive experience and spatial commerce, AI-powered personalization helps alleviate these anxieties by tailoring the shopping experience to individual needs and preferences.

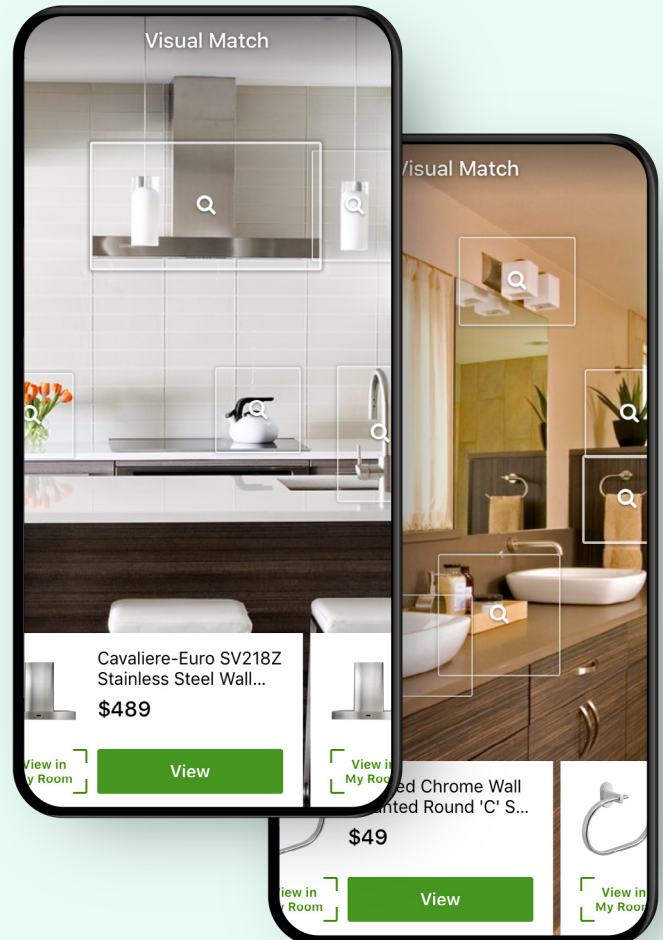
Miqdad Jaffer, product director for [Shopify Magic](#), looks to the future and forecasts, “Generative AI promises to usher in a new era of personalization that could fundamentally reshape commerce in the next five years. This technology, when paired with a nuanced understanding of customer behavior and preferences, could enable the creation of highly personalized shopping experiences. Imagine a storefront tailored to an individual customer, complete with customized content, images, and messages—what was once the domain of hyper-targeted advertising could now permeate the entire shopping session.”

Personalized experiences facilitated by AI can start by providing proactive responses to relevant FAQs mapped to specific stages in a shopper’s buying journey, helping to reduce anxiety and risk perception. With shoppers seeking to compare alternatives, AI-driven personalization also easily surfaces similar items based on customer profiles and behavior.

AI’s power shines particularly bright in the search and discovery process. Shop App’s natural language search further personalizes the experience, allowing customers to simply describe their needs and receive curated recommendations, eliminating the need for tedious keyword filtering. [Shopify’s Retail Search](#), in partnership with Google, provides better results for even the broadest queries, including non-product and semantic search to effectively match product attributes, user intent, and store content.

Imagine going beyond natural language searches, where a virtual personal shopping assistant utilizes image recognition technology to understand a customer’s unique style by analyzing their inspiration board, and then suggests similar items or even exact pieces that match their vision. Or envision using AI to recommend the perfect rug based on a photo submitted by customers.

Houzz and IKEA are at the forefront of this, with [Houzz’s visual search feature](#) and [IKEA’s Pinterest tool](#), both using AI to bridge the gap between inspiration and reality. Tools like [Venari’s AI Image Search](#) on the Shopify app store allow retailers to connect their product catalog to a high-precision visual search experience for their customers. Shoppers receive recommendations of products that are truly similar to products they are already interested in.





However, personalization raises privacy concerns. Shopify addresses this with [Shop Pay](#), enabling identity surfacing early in the buying cycle to offer personalized recommendations while adhering to strict data security protocols. [Shopify Checkout](#) further bolsters conversion rates by up to 36% and by an average of 15%, thanks to its extensive identity network for one-click purchases, scalability, and continuous innovation. Additionally, [Shopify Audiences](#) uses anonymized purchase data to connect sellers with high-intent buyers, significantly lowering acquisition costs and ensuring targeted marketing campaigns, all powered by machine learning. These powerful tools empower furniture retailers to get the most out of post-purchase upsells, order add-ons, and warranty add-ons.

Global furniture manufacturer and retailer Nathan James [testifies to the value of Shopify Audiences](#) after building it into their outreach and marketing. As their Chief Revenue Officer Josh Bultz explains, “Shopify has enabled us to leverage insights from millions of direct connections that merchants have with their customers, so we can reach high-intent buyers. The reporting Shopify offers is a game-changer for DTC merchants. We are now able to invest in the right areas where there is measurable ROI.” Nathan James has seen a 176% increase in conversion ratio, a 55% increase in their marketing efficiency ratio, and a 5.6x return on ad spend.

The AI revolution presents an unprecedented opportunity for home furnishings retailers. By embracing automation and personalization, they can not only streamline operations and boost conversions, but also create a more engaging, satisfying, and ultimately memorable shopping experience for their customers. As AI revolutionizes the entire shopping journey, it also paves the way for significant advancements in customer service, including AI-powered chatbots. Which brings us to our next topic.

Driving innovation in customer service

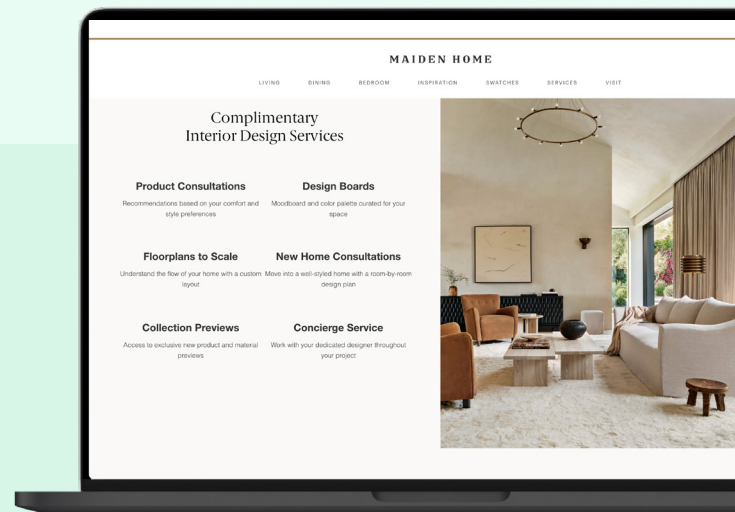
Customers, particularly when making significant purchases like sofas or beds, demand personalized engagement to facilitate decision-making and instill confidence before clicking “buy.” This is where new trends like virtual consultations and preorder memberships come into play, alongside powerful back-end tools like AI-powered chatbots that streamline operations while resolving day-to-day customer queries or escalating more serious ones.

Virtual consultations boost value

Confronted with ambitious design dreams but constrained by a lack of expertise, consumers often seek guidance from their most design-savvy friends and inspiration on social media. Yet for the average shopper, the need for professional direction without the professional price tag remains. Furniture and design companies increasingly offer complimentary or low-cost design consultations, providing expert insights with the implicit hope of conversion. They are now offering these services virtually. Similar to beauty counter makeovers, this model incentivizes purchases while benefiting the customer with bespoke recommendations and holistic advice.

Several larger retailers, such as La-Z-Boy, Pottery Barn, and Restoration Hardware, offer [video consultations](#). By allowing customers to interact with live product demonstrations via video chat, they bridge the physical and digital divide, fostering trust and confidence in online purchases. This personalized approach echoes the experience of having a dedicated in-store assistant but transcends geographical limitations. The ability to virtually sit on a sofa or touch the fabric before committing translates to reduced hesitation and higher conversion rates.

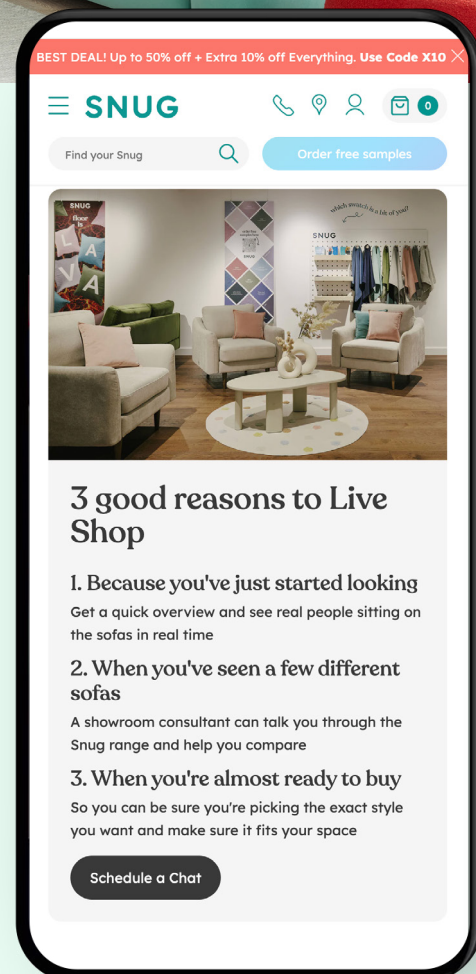
Other retailers offer more in-depth services in various formats, including email, phone, video, and curated social experiences. For example, Maiden Home offers [free personalized design advice](#) for online furniture purchases. Users submit room images and layouts, receiving tailored design plans within a week. Beyond product recommendations, they offer mood boards, curated color palettes, floor plans to scale, and collection previews. On-staff designers assist via email and phone, refining the plan until furniture selection and placement are perfected.





House of Jade's \$250 [virtual consult](#) offers expert design advice via Zoom, Hangout, or FaceTime. Customers receive general furniture, paint, and finish guidance for one room through a one-hour call with their experienced team and are encouraged to prepare a list of topics and questions to maximize their session. Clients who choose to purchase a room-specific e-design package receive a \$150 credit and a 15% discount for House of Jade's home goods store.

A similar service has been [implemented by Snug](#), which offers an innovative modular sofa-in-a-box. Using Shopify Plus, Gorgias, ConferWith, as well as custom apps, the retailer successfully curates [live shopping experiences](#) on social media. Migrating to social commerce and live selling has resulted in a 25% in order value.

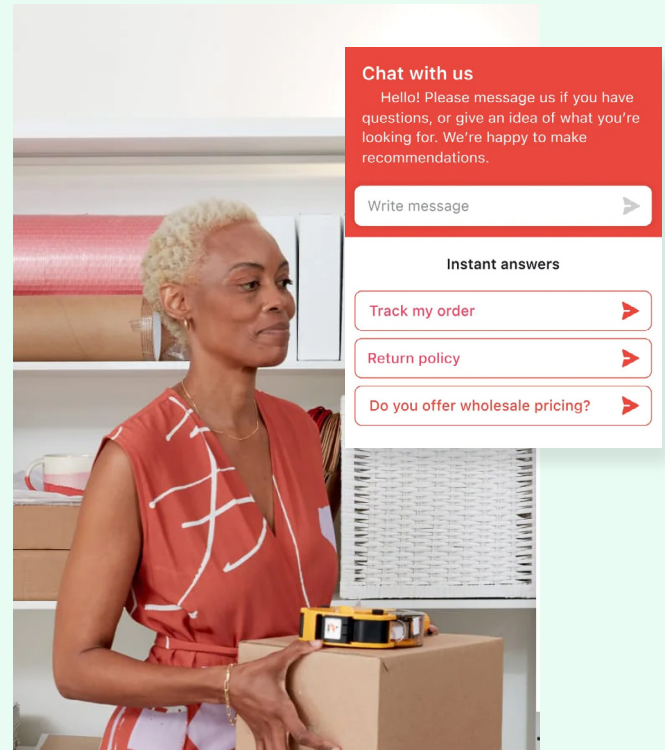


Chatbots streamline customer care

While the personal touch has long been instrumental in fostering interaction and trust, chatbots are now emerging as powerful tools in their own right. AI-powered chatbots are not only automating customer service but also delivering personalized recommendations.

For example, brands like [Buy Buy Baby](#) prioritize customer convenience by offering self-service options for common use-cases like order tracking and management.

Through AI-powered chatbots such as [Shopify Inbox](#), brands can provide product recommendations and discount codes based on the customer's real-time cart content. Chatbots can even track additions and removals of items while in conversation with a customer and respond accordingly. A [2020 Juniper Research](#) report predicts that global retail spending via chatbots will reach \$142 billion USD by 2024.



Preorder memberships cater to exclusivity and value

While brands like RH (Formerly Restoration Hardware) and Design Within Reach are leading the charge in [preorder memberships](#), this trend offers significant opportunities for furniture retailers at large. By providing exclusive access to new products, early purchase discounts, and special offerings, memberships create a sense of community and value for dedicated customers. This approach generates a recurring revenue stream while fostering brand loyalty and advocacy.

Of course, preorder programs, particularly within the furniture industry, come with unique challenges. Potential changes in desired furniture specifications or order cancellations can significantly impact inventory management and production schedules. Addressing these challenges requires robust systems and agile processes. Integrating a point-of-sale solution like Shopify's with existing ERP systems allows for real-time inventory updates and order modifications, prioritizing both customer satisfaction and operational efficiency.

Unlock limitless opportunities by building with Shopify

Technology is a means for retailers to achieve their commerce goals—they shouldn't be held back by the platform they choose.

Shopify is the partner for home furnishings companies looking for sustainable, long-term success in a rapidly changing market.



Superior customer experiences

Shopify's cohesive platform seamlessly integrates front- and back-office operations, ensuring a consistent experience for customers across all channels.



Highest-converting checkout

With Shopify, home furnishings companies gain access to the world's highest-converting checkout, empowering them to maximize their revenue potential.



Improved unit economics

By utilizing Shopify's best-in-class components and focusing resources on building true differentiation, enterprises can optimize costs and enhance profitability.



Reduced maintenance costs

With Shopify's world-class operations and engineering teams constantly monitoring and improving the system, furniture retailers can save on maintenance expenses and focus on growth.



Agility and speed to market

Shopify's managed runtime, kernel extensibility, prebuilt components, and powerful APIs empower engineering and business teams to be highly productive and responsive to market demands.



System security and customer trust

Shopify's 99.99% uptime and strong security defaults offer a reliable experience and peace of mind for home furnishings companies and their customers.

Shopify's enterprise solutions are purpose-built to address the unique needs of home furnishings companies, reducing work, costs, and risks while accelerating time to market. By choosing Shopify, retailers partner with a world-class R&D commerce team committed to making commerce better for everyone.

To explore everything that Shopify has to offer, schedule a meeting [here](#).