Black Friday Furniture Prices Inspire Home Makeovers

11th Dec, 2020

BY DATAWEAVE

As most of us stay home for the holidays this year, retailers hope we'll invest in our nest.

The global pandemic ignited sales in the red-hot home furniture category, as our domestic comfort, functionality and aesthetics suddenly became urgent priorities in 2020. Now we're investing more in domestic leisure, organizing and redecorating as our consumption habits shift.

That's why we wanted to know how retailers adapted their Black Friday and Cyber Monday furniture pricing strategies to meet consumers' needs. For instance, did retailers give the best deals on low-commitment furniture like area rugs or on big-ticket items like dining room sets?

To pinpoint which retailers offered the greatest proportion of discounts and the deepest discounts, we reviewed furniture at Amazon, Home Depot, JC Penney, Overstock, Target, Walmart and Wayfair. We compared the pre-sale period (November 24-26) to the holiday sales period (Black Friday on November 27 through Cyber Monday on November 30) to monitor retailers' furniture pricing moves.
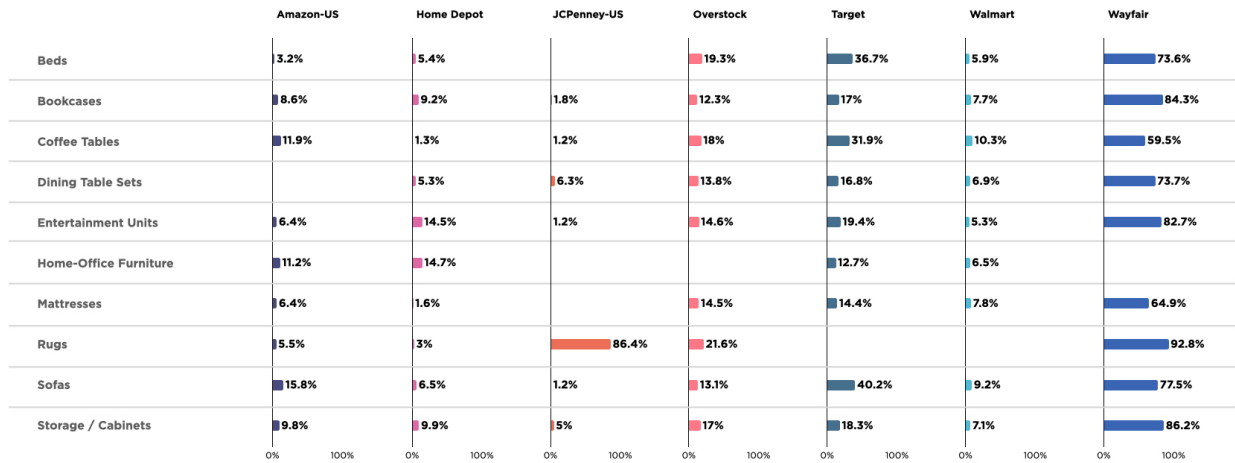
Top product types by additional discount

BLACK FRIDAY

% OF PRODUCTS WITH ADDITIONAL DISCOUNTS

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	Amazon-US	Home Depot	JCPenney-US	Overstock	Target	Walmart	Wayfair
Beds	3.2%	5.4%		19.3%	36.7%	5.9%	73.6%
Bookcases	8.6%	9.2%	1.8%	12.3%	17%	7.7%	84.3%
Coffee Tables	11.9%	1.3%	1.2%	18%	31.9%	10.3%	59.5%
Dining Table Sets		5.3%	6.3%	13.8%	16.8%	6.9%	73.7%
Entertainment Units	6.4%	14.5%	1.2%	14.6%	19.4%	5.3%	82.7%
Home-Office Furniture	11.2%	14.7%			12.7%	6.5%	
Mattresses	6.4%	1.6%		14.5%	14.4%	7.8%	64.9%
Rugs	5.5%	3%	86.4%	21.6%			92.8%
Sofas	15.8%	6.5%	1.2%	13.1%	40.2%	9.2%	77.5%
Storage / Cabinets	9.8%	9.9%	5%	17%	18.3%	7.1%	86.2%

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To review retailers' holiday pricing strategies in the furniture category, we tracked three scenarios: whether prices decreased, increased or remained the same during the last week of November 2020.
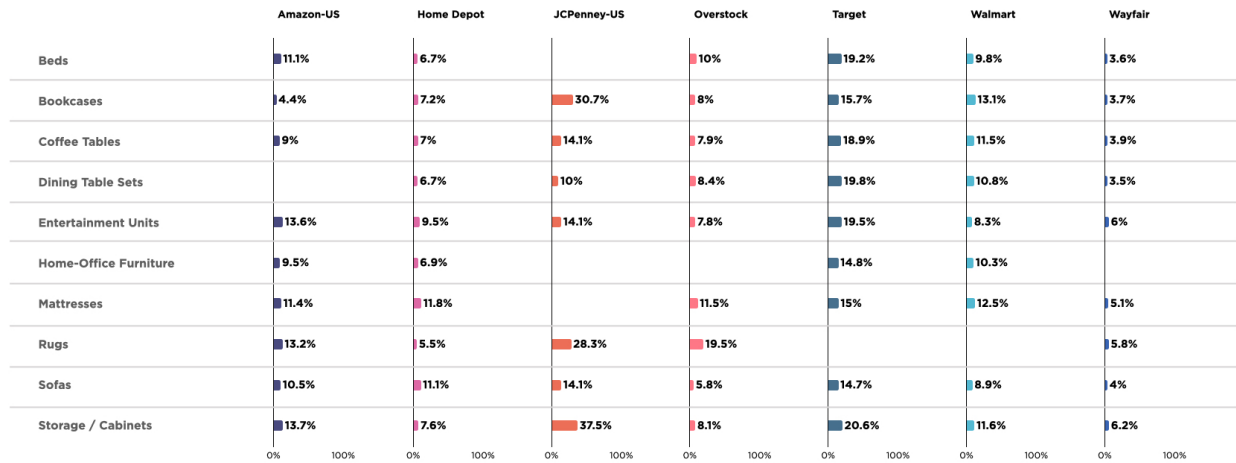
The proportion of furniture items that maintained the same prices during the pre-sale and sales periods ranged widely, from 91.6% for Home Depot to only 22.6% for Wayfair.

That's because Wayfair had by far the highest proportion of furniture with a price decrease (77.2% on 4254 products vs. 7.1% on 342 products for Home Depot). Since Wayfair specializes in home décor, it makes sense for the retailer to aggressively distribute discounts across its furniture assortment.

Among all retailers, the top types of furniture with discounts included bookcases, entertainment units, sofas and storage and cabinets. These findings suggest we are investing in domestic leisure, relaxation and organization.

BLACK FRIDAY
AVERAGE ADDITIONAL DISCOUNT %

	Amazon-US	Home Depot	JCPenney-US	Overstock	Target	Walmart	Wayfair
Beds	11.1%	6.7%		10%	19.2%	9.8%	3.6%
Bookcases	4.4%	7.2%	30.7%	8%	15.7%	13.1%	3.7%
Coffee Tables	9%	7%	14.1%	7.9%	18.9%	11.5%	3.9%
Dining Table Sets		6.7%	10%	8.4%	19.8%	10.8%	3.5%
Entertainment Units	13.6%	9.5%	14.1%	7.8%	19.5%	8.3%	6%
Home-Office Furniture	9.5%	6.9%			14.8%	10.3%	
Mattresses	11.4%	11.8%		11.5%	15%	12.5%	5.1%
Rugs	13.2%	5.5%	28.3%	19.5%			5.8%
Sofas	10.5%	11.1%	14.1%	5.8%	14.7%	8.9%	4%
Storage / Cabinets	13.7%	7.6%	37.5%	8.1%	20.6%	11.6%	6.2%

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On Black Friday, JC Penney offered the most generous average discount (21.3% vs. 4.6% for Wayfair). This means that although Wayfair spread discounts across its furniture subcategories, the actual discounts were lower than rivals'.
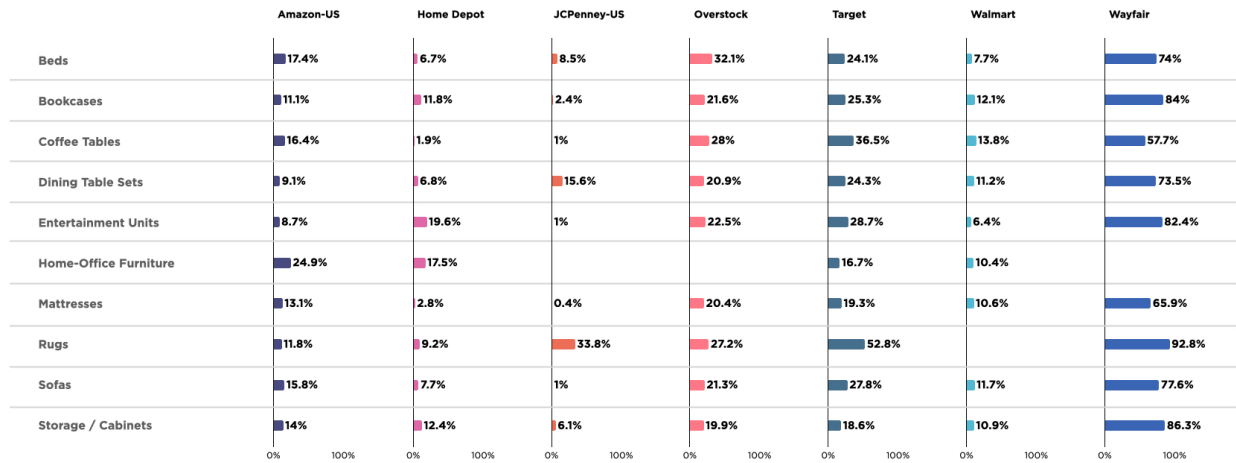
Types of furniture with the highest average discount on Black Friday at JC Penney included storage and cabinets, bookcases and rugs. These products tend to be affordable additions to our homes compared to bigger investments like a dining room set.

Black Friday Vs. Cyber Monday

CYBER MONDAY
% OF PRODUCTS WITH ADDITIONAL DISCOUNTS

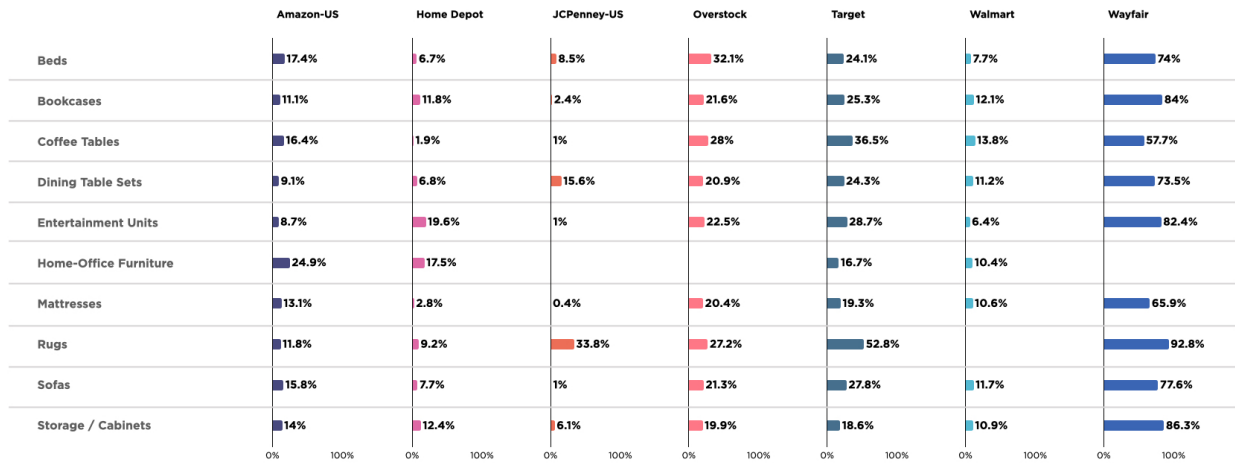|	Amazon-US	Home Depot	JCPenney-US	Overstock	Target	Walmart	Wayfair
Beds	17.4%	6.7%	8.5%	32.1%	24.1%	7.7%	74%
Bookcases	11.1%	11.8%	2.4%	21.6%	25.3%	12.1%	84%
Coffee Tables	16.4%	1.9%	1%	28%	36.5%	13.8%	57.7%
Dining Table Sets	9.1%	6.8%	15.6%	20.9%	24.3%	11.2%	73.5%
Entertainment Units	8.7%	19.6%	1%	22.5%	28.7%	6.4%	82.4%
Home-Office Furniture	24.9%	17.5%			16.7%	10.4%	
Mattresses	13.1%	2.8%	0.4%	20.4%	19.3%	10.6%	65.9%
Rugs	11.8%	9.2%	33.8%	27.2%	52.8%		92.8%
Sofas	15.8%	7.7%	1%	21.3%	27.8%	11.7%	77.6%
Storage / Cabinets	14%	12.4%	6.1%	19.9%	18.6%	10.9%	86.3%

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On Cyber Monday, Target offered additional discounts on the greatest proportion of furniture (27.4% vs. 7.8% for JC Penney). These findings suggest Target really wants to be a convenient option for shoppers, including their home furnishing needs.

Among all retailers, the top types of discounted furniture included rugs, beds and entertainment units.

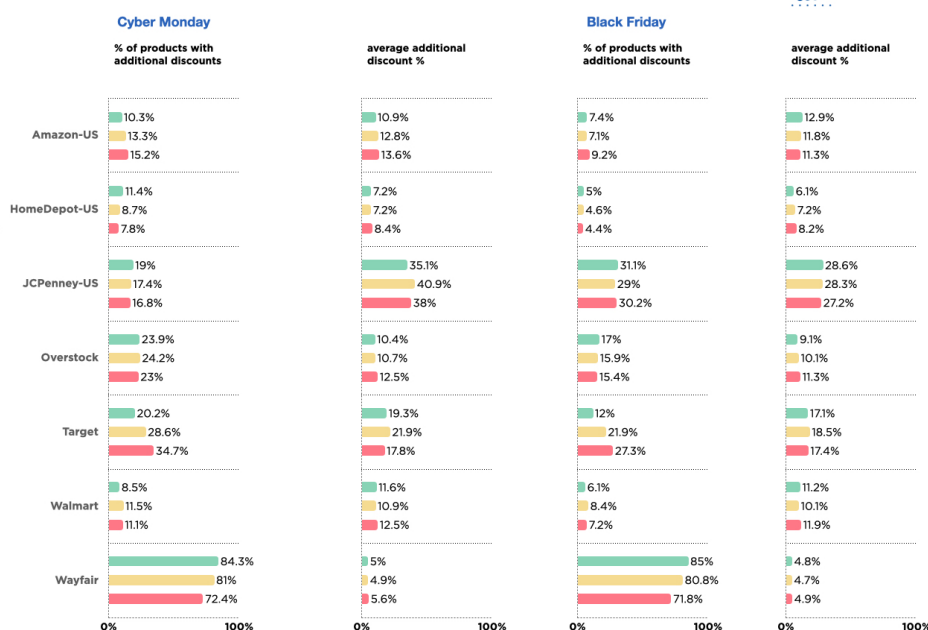|	Amazon-US	Home Depot	JCPenney-US	Overstock	Target	Walmart	Wayfair
Beds	17.4%	6.7%	8.5%	32.1%	24.1%	7.7%	74%
Bookcases	11.1%	11.8%	2.4%	21.6%	25.3%	12.1%	84%
Coffee Tables	16.4%	1.9%	1%	28%	36.5%	13.8%	57.7%
Dining Table Sets	9.1%	6.8%	15.6%	20.9%	24.3%	11.2%	73.5%
Entertainment Units	8.7%	19.6%	1%	22.5%	28.7%	6.4%	82.4%
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Rugs	11.8%	9.2%	33.8%	27.2%	52.8%		92.8%
Sofas	15.8%	7.7%	1%	21.3%	27.8%	11.7%	77.6%
Storage / Cabinets	14%	12.4%	6.1%	19.9%	18.6%	10.9%	86.3%

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Most retailers offered deeper additional discounts on furniture on Cyber Monday than Black Friday, possibly to maximize sales before the end of the year. Cyber Monday discounts for furniture ranged from 20.9% for JC Penney to 4.9% for Wayfair. Among all retailers, the top types of furniture that received discounts on Cyber Monday were rugs, storage and cabinets and dining table sets, which show that redecorating and organizing were in style this holiday season.

Additional discounts across product "premiumness" levels

BF VS. CM
ADDITIONAL DISCOUNT BY PREMIUMNESS LEVELS

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PREMIUMNESS LEVEL
■ HIGH ■ MEDIUM ■ LOW

		Cyber Monday		Black Friday	
Retailer	Premiumness	% of products with additional discounts	average additional discount %	% of products with additional discounts	average additional discount %
Amazon-US	HIGH	10.3%	10.9%	7.4%	12.9%
	MEDIUM	13.3%	12.8%	7.1%	11.8%
	LOW	15.2%	13.6%	9.2%	11.3%
HomeDepot-US	HIGH	11.4%	7.2%	5%	6.1%
	MEDIUM	8.7%	7.2%	4.6%	7.2%
	LOW	7.8%	8.4%	4.4%	8.2%
JCPenney-US	HIGH	19%	35.1%	31.1%	28.6%
	MEDIUM	17.4%	40.9%	29%	28.3%
	LOW	16.8%	38%	30.2%	27.2%
Overstock	HIGH	23.9%	10.4%	17%	9.1%
	MEDIUM	24.2%	10.7%	15.9%	10.1%
	LOW	23%	12.5%	15.4%	11.3%
Target	HIGH	20.2%	19.3%	12%	17.1%
	MEDIUM	28.6%	21.9%	21.9%	18.5%
	LOW	34.7%	17.8%	27.3%	17.4%
Walmart	HIGH	8.5%	11.6%	6.1%	11.2%
	MEDIUM	11.5%	10.9%	8.4%	10.1%
	LOW	11.1%	12.5%	7.2%	11.9%
Wayfair	HIGH	84.3%	5%	85%	4.8%
	MEDIUM	81%	4.9%	80.8%	4.7%
	LOW	72.4%	5.6%	71.8%	4.9%

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Nearly all retailers had a higher proportion of furniture with additional discounts on Cyber Monday than on Black Friday. Wayfair had the highest proportion (79.2% for both Cyber Monday and Black Friday vs. 9.3 for Home Depot). Wayfair's use of discounts across all premium levels on both major sales days shows the retailer wants to extend its brand reach, own this category and earn top-of-mind status across diverse furniture shoppers at all price points.

Only JC Penney had a higher percentage of furniture with additional discounts on Black Friday.

Every retailer offered deeper discounts on Cyber Monday than Black Friday, likely to clear out 2020 merchandise.

On Cyber Monday, JC Penney offered the most generous furniture discounts, with an average additional discount of 38.0%, which ranged from 35.1% at the low premium level to 40.9% at the moderately premium level. Aggressive discounts could set JC Penney apart among department stores and attract more low- to mid-market consumers with tempting furniture deals.

Also, most retailers gave the deepest discounts on furniture at the high premium level, which can help to make upscale items accessible and affordable to a greater number of consumers.

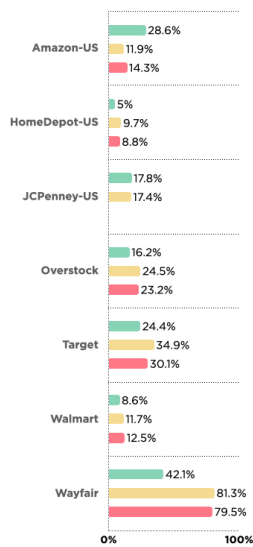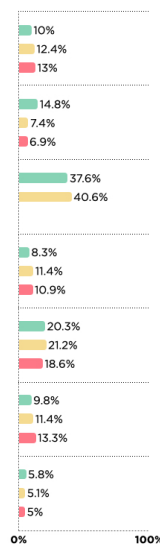## Additional discounts across product "popularity" levels
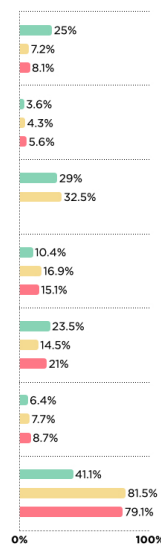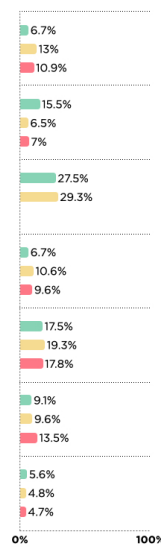
BF VS. CM ADDITIONAL DISCOUNT BY POPULARITY LEVEL

POPULARITY LEVEL: ■ HIGH ■ MEDIUM ■ LOW

Retailer	Popularity	Cyber Monday — % of products with additional discounts	Cyber Monday — average additional discount %	Black Friday — % of products with additional discounts	Black Friday — average additional discount %
Amazon-US	HIGH	28.6%	10%	25%	6.7%
	MEDIUM	11.9%	12.4%	7.2%	13%
	LOW	14.3%	13%	8.1%	10.9%
HomeDepot-US	HIGH	5%	14.8%	3.6%	15.5%
	MEDIUM	9.7%	7.4%	4.3%	6.5%
	LOW	8.8%	6.9%	5.6%	7%
JCPenney-US	HIGH	17.8%	37.6%	29%	27.5%
	MEDIUM	17.4%	40.6%	32.5%	29.3%
Overstock	HIGH	16.2%	8.3%	10.4%	6.7%
	MEDIUM	24.5%	11.4%	16.9%	10.6%
	LOW	23.2%	10.9%	15.1%	9.6%
Target	HIGH	24.4%	20.3%	23.5%	17.5%
	MEDIUM	34.9%	21.2%	14.5%	19.3%
	LOW	30.1%	18.6%	21%	17.8%
Walmart	HIGH	8.6%	9.8%	6.4%	9.1%
	MEDIUM	11.7%	11.4%	7.7%	9.6%
	LOW	12.5%	13.3%	8.7%	13.5%
Wayfair	HIGH	42.1%	5.8%	41.1%	5.6%
	MEDIUM	81.3%	5.1%	81.5%	4.8%
	LOW	79.5%	5%	79.1%	4.7%

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Almost all retailers offered a greater proportion of additional furniture discounts on Cyber Monday than on Black Friday, ranging from 67.6% for Wayfair to 7.8% for Home Depot.

Across all levels of popularity for furniture, Wayfair dominated with discounts on the most diverse array of products to give more furniture shoppers an opportunity to save money.

Meanwhile, Amazon and JC Penney offered the greatest proportion of discounts at the low level of popularity, possibly to declutter their furniture assortment to make room for in-demand products.

Nearly every retailer offered deeper discounts on furniture on Cyber Monday than on Black Friday, with JC Penney being the most generous (39.1% vs. 5.3% for Wayfair).

Home Depot and Wayfair prioritized discounts among less popular furniture, likely to clear them out and make more room in their assortments for items people really want.

Amazon and Walmart gave deeper discounts on highly popular furniture to battle it out over bestsellers.

Holiday Furniture Pricing Inspires Us to Reimagine Our Space

This year, more consumers decluttered their homes and more retailers decluttered their furniture assortment by clearing out 2020 merchandise with desirable deals on Black Friday and Cyber Monday.

The findings of this pricing analysis hint at retailers' competitive positioning. To own the furniture category, Wayfair aggressively allocated discounts across its assortment even if rivals gave deeper discounts. Target's deep discounts helped to position the chain as a convenient option for shoppers' cross-category needs, including furniture. JC Penney's astonishingly deep discounts on Black Friday and Cyber Monday could help to liquidate inventory, whereas Amazon and Walmart battled over bestsellers.

Click **here** for more Black Friday and Cyber Monday analysis to learn about retailers' holiday pricing strategies during 2020's e-commerce boom.

- *DataWeave Marketing*

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