



# **Executive Summary**

The US home decor market saw moderate growth from 2022 to 2023, driven by continued focus on home improvement and rising disposable incomes. E-commerce remained a dominant channel, capturing a larger share compared to brick-and-mortar stores. Sustainability and personalization emerged as key trends, influencing consumer preferences and product offerings.

We've cracked the code on the thriving US Home Decor industry, focusing on five key categories: Wall Art, Lighting, Home Textiles, Furniture, and Floor Covering. Using data magic (aka meticulous scraping across multiple platforms), we've compiled an epic report on what's hot and what's not.

# Here's a peek inside:

1

#### Variety Explosion:

Get ready to be dazzled! We've analyzed the vast assortment available, giving you a clear picture of what each category offers.

2

#### **Price Watch:**

Curious about price trends? We've tracked them throughout the year, so you can see what's worth splurging on and what's a steal. 3

#### **New Kid on the Block:**

We've kept a close eye on new product arrivals, helping you spot up-and-coming trends before they hit the mainstream.

The Result? A crystal-clear view of the competitive landscape and what savvy consumers are choosing. This intel is gold for anyone wanting to:

- Dominate the market: Know your competition and identify gaps in the market to fill.
- Refine your product range: Ditch the duds and stock up on winners.
- Price like a pro: Set prices that attract customers without leaving money on the table.
- Develop products your customers crave: Know what's trending and stay ahead of the curve.



# So, ditch the guesswork and dive into our data-driven insights! You'll be a home decor guru in no time.

## **Key Points:**

- We analysed five key Home Decor categories in the US market.
- We studied variety, price trends, and new product arrivals.
- This report reveals insights on competition and consumer preferences.
- It's your guide to market dominance, product optimization, and smart pricing.

## Salient observations from the report underscore:

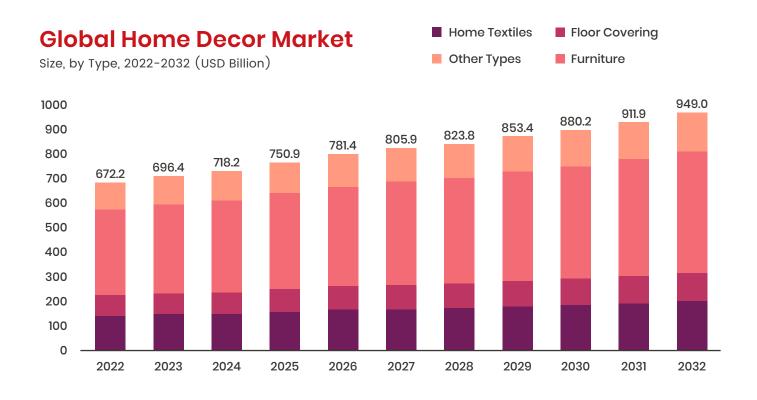
- Significant fluctuations in the assortment sizes and average selling prices (ASPs) across categories, highlighting a notable descent in Wall Art SKUs juxtaposed with the growth in Lighting segments such as Neon Signs. These variances are acutely reflected during promotional events like Black Friday
- Price comparison across retailers has established Amazon as the predominant player in pricing competitiveness, outpacing Walmart, and Wayfair on a majority of SKUs, notably within segments such as Home Textiles
- The brand presence analysis across the eCommerce platforms positions Designart and Wall among the most prevalent brands, as evidenced by their dominance in the top 100 product listings. This offers insights into consumer loyalty and brand equity within the market
- The study conveys strategic insights into sector-specific consumer behavior, pricing sensitivity, and brand performance, essential for businesses strategizing in the nuanced home decor market.



# Industry Performance in 2023 & **Outlook in 2024**

The Home Decor industry represents a significant segment of the consumer goods sector, comprising items typically used in the furnishing and decoration of living spaces. It embraces a spectrum of products, from furniture and textiles to art pieces and functional decor. Within the context of eCommerce, home decor has increasingly become a staple of online retail, resonating with consumers' desire for convenience, variety, and the ability to personalize their shopping experiences. The industry's migration to digital platforms has unlocked new opportunities and challenges which this report will address, offering a clear depiction of the sector's current state. It will also identify potential areas for growth and suggest approaches to optimize our position in an eCommerce-driven marketplace.

In 2023, the global home decor market was worth USD 696.2 billion. By 2032, it is expected to reach USD 949 billion, growing at a CAGR of 3.6%.



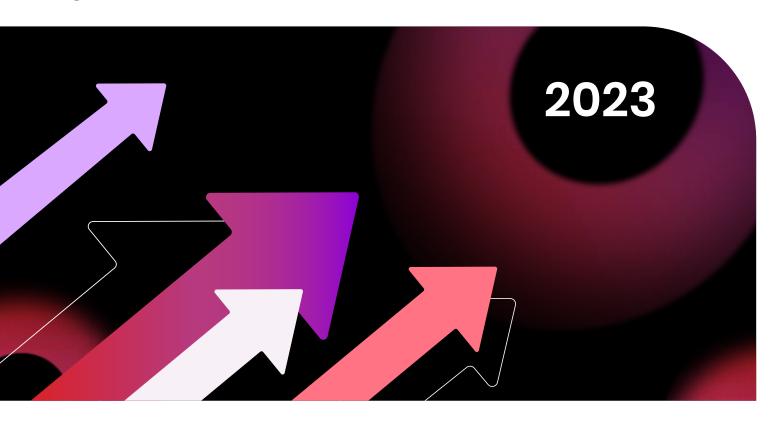
The Market will Grow At the CAGR of 3.6%

The forecasted market size for 2032 in USD:

\$ 949.0B



## **Key Growth Drivers in 2023**



**Increased focus on home improvement:** 

With people spending more time at home, the demand for comfortable and stylish living spaces remained high.

Supply Chain Recovery:

Improved logistics and easing of disruptions led to better product availability and price stabilization compared to earlier in the year.

**Shifting consumer priorities:** 

**Booming online sales:** 

Consumers prioritized wellness and functionality alongside aesthetics, leading to increased demand for ergonomic furniture, smart home devices, and natural materials.

E-commerce platforms continued to gain traction, offering convenience, wider selection, and competitive pricing. Increased spending during the holiday season boosted overall market performance, particularly for festive decorations and gift-worthy items. Black Friday and Cyber Monday deals drove significant traffic and sales, with consumers seeking bargains and completing holiday shopping.



## Category, Assortment & Price Trends in 2023:



#### **Luxury Accents:**

Decorative accents like scented candles, throw pillows, and artwork saw increased demand during the holiday season.



#### **Functional Furniture:**

Entryway furniture, storage solutions, and home office upgrades were popular post-holidays, aligning with home improvement resolutions.



#### **Sustainable Choices:**

Eco-friendly materials and recycled/ upcycled products continued to gain traction, reflecting consumer values.



#### **Smart Home Expansion:**

Continued growth in smart home decor offerings, with connected lighting, speakers, and appliances gaining traction.



#### **Personalization Focus:**

Rise of customizable and personalized decor options, including monogrammed items and DIY craft supplies.



#### **Luxury Segment Resilient:**

Premium products maintained pricing stability, suggesting continued demand for high-quality decor.



#### **Budget Options Thrive:**

Value-driven assortments saw strong performance, catering to cost-conscious consumers.





## **Outlook for 2024:**

- The home decor market is expected to maintain its steady growth in 2024, driven by continued home improvement spending and growing online sales.
- Continued focus on home improvement: Spending on creating comfortable and personalized living spaces is expected to remain high, fuelled by hybrid work models and increased time spent at home.
- Rising disposable incomes: With inflation gradually stabilizing, consumer confidence and spending power are likely to improve, boosting demand for non-essential items like home decor.
- E-commerce dominance: Online channels will continue to dominate, offering convenience, wider selection, and competitive pricing. Expect further advancements in personalized recommendations and augmented reality/virtual reality for enhanced online shopping experiences.
- Technological integration: Smart home devices and automated features will increasingly be incorporated into home decor, driven by convenience and energy efficiency concerns.
- Diversification of styles: The market will cater to diverse tastes, with trends like sustainability, biophilic design (incorporating nature), and maximalism (bold colors and patterns) gaining traction alongside minimalism and classic styles.
- Sustainable and personalized products will continue to gain popularity, offering opportunities for niche brands and innovative offerings.

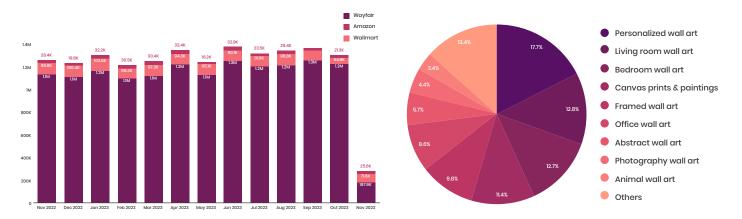
Overall, the US Home Decor market in 2024 promises a dynamic and growing landscape. Adapting to evolving consumer preferences, embracing technological advancements, and prioritizing sustainability will be key to thriving in this promising market.



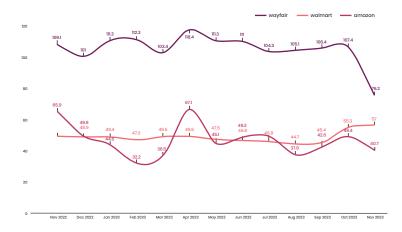
# Deeper insights into categories

## **Wall Art**

#### **Assortment Analysis**



- Wayfair leads the race with highest assortment followed by Walmart and Amazon; however assortment has remained flat over the year.
- · Personalized Wall art forms the maximum share, followed by Bedroom wall art.
- Poster and Prints along with Framed wall arts are popular subcategory of Personalized Wall art on Amazon and Walmart.
- Leading Category Peel and Stick Removable Wallpaper has seen highest growth in assortment from 19.2k in Nov'22 to 26.4k SKUs in Nov'23 (37.5% growth).
- Declining Categories Abstract wall art has seen highest decline in assortment from 165.1k in Nov'22 to 13.7k SKUs in Nov' 23.



		website wis	SE # OF PRODUCTS
Price Bucket	wayfair	amazon	walmart
1. 0 - 50	909,860	170,695	106,206
2. 50 - 100	962,075	49,733	18,223
3.100 - 500	699,075	23,525	10,988
4. 500 - 1000	31,991	379	1,193
5. 1000 - 1500	6,369	37	405
6. 1500 - 2000	2,742	15	200
7. 2000 - 2500	1,943	3	83
8. 2500 - 3000	1,272	6	53
9.>3000	1,696	10	124



- Average selling price of Wayfair is higher then Amazon and Walmart
- Walmart over the year has rationalized the price & average price has increased over the year compared to Wayfair & Amazon whereas price has decreased
- Fine art enamel paintings has the highest average price (\$1,710) followed by gallery wall art sets (\$317)
- Price Spread:
  - 1. Wayfair's product offerings do not fall below a few thousand in any price bracket, which indicates that Wayfair has a strong presence across a variety of price ranges.
  - 2. More than 60% assortment across Amazon & Walmart fall under lower price range of less than \$50.

Leading brands by assortment	Top 5 brands in top 100 ranking	Top 5 brands by Average Rating
East Urban Home	Hokku Designs	Poster Time
Red Barrel Studio	Wildon Home	Jewelry by Sweet Pea
• Trinx	Lillian August	Stratton Home Décor
Stupell Industries	Begin Edition International INC	• Blick
Winston Porter	Americanflat	Go see design

#### Black Friday Nov 2022 vs 2023

Personalized Wall art

The overall assortment of Personalized Wall art grew from 518k to 659k

The average price of Personalized Wall art grew from \$119 to \$124

Bedroom wall art

The overall assortment of Bedroom wall art grew from 255k to 413k

The average price of Bedroom wall art decrease from \$111 to \$108

Living room wall art

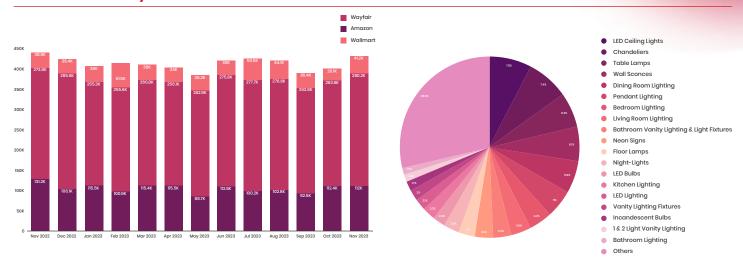
The overall assortment of living room wall art grew from 249k to 410k

The average price of living room wall art grew from \$110 to \$120

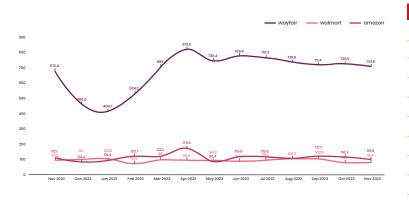


# **Lighting Category**

#### **Assortment Analysis**



- Wayfair leads the race with highest assortment followed by Amazon; assortment has remained flat over the year.
- LED Ceiling Lights forms the maximum share, followed by Chandeliers.
- Leading Category Neon Signs saw an increase of 88.78% in the assortment size from 9.8K to 18.5K SKUs
- Declining Categories Chandeliers saw a decline of 12.13% in the assortment size from 54.4K to 47.8K SKUs



		Website Wis	e # OF PRODUCTS
Price Bucket	wayfair	amazon	walmart
1. 0 - 50	251,312	44,938	76,688
2. 50 - 100	86,262	91,057	29,079
3.100 - 500	126,132	280,853	42,971
4. 500 - 1000	15,216	72,050	2,710
5. 1000 - 1500	4,620	23,926	615
6.1500 - 2000	2,337	12,670	261
7. 2000 - 2500	1,502	8,822	156
8. 2500 - 3000	1,352	7,067	102
9.>3000	3,857	22,570	131

- Average selling price of Wayfair 5-7 times higher than Amazon and 6-8 times higher than Walmart
- Walmart over the year has rationalized the price & average price has increased over the year compared to Wayfair & Amazon whereas price has decreased
- Chandeliers has the highest average price (\$1,527) followed by Pool Table Lights (\$1,234)
- Price Spread: Amazon's Dominate the below \$50 Product offerings, and Wayfair seems focused on offering item between \$100 to \$500 range for Lighting department



Leading brands by assortment	Top 5 brands in top 100 ranking	Top 5 brands by Average Rating
Technical Precision	Ebern Designs	Technical Precision
Orren Ellis	Orren Ellis	• Z-Lite
Everly Quinn	Everly Quinn	<ul> <li>HomeRoots</li> </ul>
Latitude Run	Latitude Run	• GE
Generic	• 17 Stories	Aspen Creative Corporation

#### Black Friday Nov 2022 vs 2023

#### **LCD Ceiling Lights**

The overall assortment of LCD Ceiling Lights grew from 57.5k to 68.9k

The average price of LCD Ceiling Lights grew from **\$1,052 to \$1,123** 

#### **Chandeliers**

The overall assortment of Chandeliers decreased from 54.4k to 47.8k The average price of Chandeliers grew \$1,301 to \$1,553

#### **Table Lamps**

The overall assortment of Table Lamps decreased from

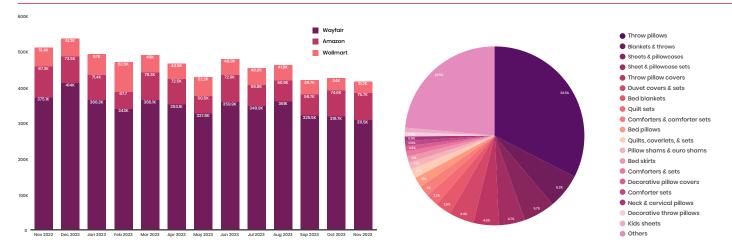
51k to 43k

The average price of Table Lamps decreased from \$241 to \$222

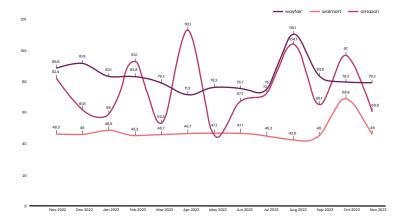


## **Home Textiles**

#### **Assortment Analysis**



- · Wayfair leads the race with highest assortment followed by Walmart and Amazon
- Assortment across all players have rationalized by 20% over the year
- Throw pillows forms the maximum share (30% by assortment)
- Leading Category Bed Blanket has seen highest growth in assortment from 8k in Nov'22 to 8.8k
   SKUs in Nov'23 (10% growth)
- Declining Categories Throw Pillows has seen highest decline in assortment from 224.9 k in Nov'22 to 176.6k SKUs in Nov' 23



		Website Wis	e # OF PRODUCTS
Price Bucket	wayfair	amazon	walmart
1. 0 - 50	386,327	246,686	110,529
2. 50 - 100	344,991	72,375	46,315
3.100 - 500	201,331	43,172	18,025
4. 500 - 1000	7,717	7,171	413
5. 1000 - 1500	2128	3,989	36
6. 1500 - 2000	826	2,048	1
7. 2000 - 2500	368	1,024	-
8. 2500 - 3000	194	292	4
9.>3000	309	488	7

- · Average selling price of Wayfair is higher then Amazon and Walmart
- Latex mattresses has the highest average price (\$1,425) followed by king size mattresses (\$974)
- Price Spread: Wayfair has assortment spread across from 0-\$500; Amazon & Walmart assortment is skewed towards 0-\$50 range



Leading brands by assortment	Top 5 brands in top 100 ranking	Top 5 brands by Average Rating
East Urban Home	• Latitude Run	• Bottlezi
Ambersonne	<ul> <li>Mainstays</li> </ul>	• Zenladen
Latitude Run	Alwyn Home	• Tagold
Bungalow Rose	Ebern Designs	• Xisunya
Generic	Elegant Comfort	Woguangis

#### Black Friday Nov 2022 vs 2023

#### • Throw pillows

The overall assortment of Throw pillows decreases from 226k to 176k

The average price of Throw pillows decreases from \$66 to \$63

#### Blankets & throws

The overall assortment of blankets & throws decreases from 45k to 33k

The average price of blankets & throws decreases from \$101 to \$80

#### Sheets & pillowcases

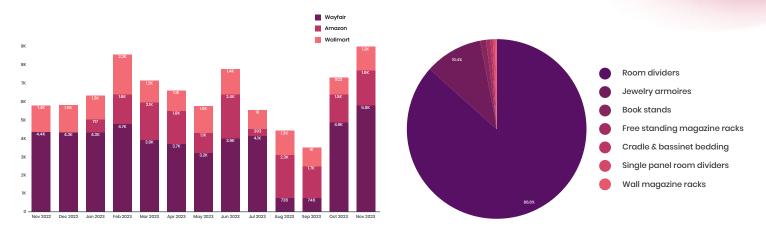
The overall assortment of sheets & pillowcases decreases from 24.5k to 23.5k

The average price of sheets & pillowcases decreases \$66 to \$51

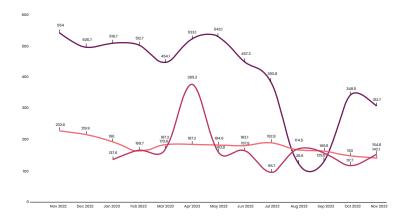


## **Home Furniture**

#### **Assortment Analysis**



- Wayfair leads the race with highest assortment followed by Amazon and Walmart
- · Room dividers forms the maximum share, followed by Jewelry armoires
- Leading Category Room Dividers increased by 54% in the assortment size from 5k to 7.7K
   SKUs
- Declining Categories Cradle & bassinet bedding decreased by 81.50% in the assortment size from 227 to 42 SKUs



		Website Wis	e # OF PRODUCTS
Price Bucket	wayfair	amazon	walmart
1. 0 - 50	604	1,397	280
2. 50 - 100	899	1,472	1,194
3.100 - 500	7,870	3,955	2,938
4. 500 - 1000	1,770	258	111
5. 1000 - 1500	458	77	27
6. 1500 - 2000	236	39	8
7. 2000 - 2500	123	30	4
8. 2500 - 3000	61	29	5
9.>3000	118	62	1

- Average selling price of Wayfair is higher then Amazon and Walmart
- Average price saw a decline in Wayfair (approximately 40% decline) & Walmart (Approx. 35% decline)
- Room dividers has the highest average price (\$394) followed by jewelry armoires (\$159)
- Price Spread: All players (Walmart, Wayfair and Amazon) focusing on \$100 to \$500 product as this bucket cover ~80% of the Assortment



Leading brands by assortment	Top 5 brands in top 100 ranking	Top 5 brands by Average Rating
East Urban Home	• Rebrilliant	• Yokukina
Oriental Furniture	Symple Stuff	<ul> <li>Godecor</li> </ul>
• Vidaxl	Red Barrel Studio	Gutyhrmer
Latitide Run	Gracie Oaks	<ul> <li>Dessauhome</li> </ul>
Red Barrel Studio	Latitude Run	

## Black Friday Nov 2022 vs 2023

#### Room dividers

The overall assortment of Room dividers grew	The average price of Room dividers
<sup>from</sup> 5k to 7.8k	decreased from <b>\$531 to \$283</b>

## • Jewelry Armoires

The overall assortment of Jewelry Armoires  grew from 482k to 508k	The average price of Jewelry Armoires decreased from \$212 to \$149	
		,
	The overall assortment of Jewelry Armoires	,

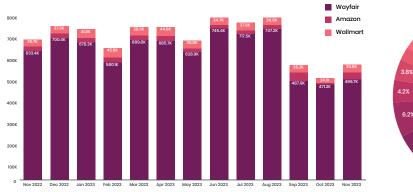
#### Book Stands

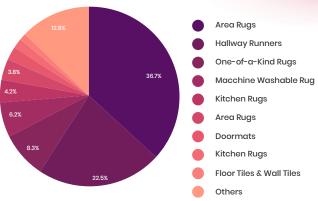
The overall assortment of Room dividers grew	The average price of Room dividers
from 62k to 591k	decreased from \$120 to \$147



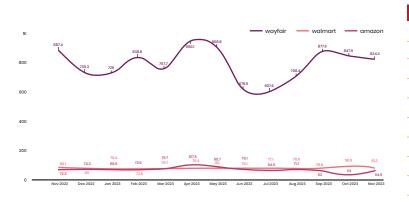
# Flooring

#### **Assortment Analysis**





- Wayfair leads the race with highest assortment followed by Walmart and Amazon; more focused category for Wayfair than its competition
- · Area Rug forms the maxium share, followed by Hallway runners
- Leading Category Doormats increased by 18.47% in the assortment size from 24.9K to 29.5 SKUs
- Declining Categories Area rug decreased by 17.67% in the assortment size from 350.3K to 288.4K SKUs



		Website Wis	e # OF PRODUCTS
Price Bucket	wayfair	amazon	walmart
1. 0 - 50	211,754	89,623	71,420
2. 50 - 100	384,894	27,399	27,974
3.100 - 500	744,351	30,253	26,545
4. 500 - 1000	167,315	2,226	2,521
5. 1000 - 1500	102,482	401	555
6.1500 - 2000	68,252	103	248
7. 2000 - 2500	45,297	48	107
8. 2500 - 3000	33,405	45	56
9.>3000	81,250	42	83

- Average selling price of Wayfair is higher then Amazon and Walmart
- One-of-a-kind rugs has the highest average price (\$4,005) followed by Kitchen Rugs (\$1,105)
- Price Spread
  - 1. Wayfair's product offerings do not fall below a few thousand in any price bracket, which indicates that Wayfair has a strong presence across a variety of price ranges; however maximum assortment between \$100- \$500 price range (approximately 45%)
  - 2. More than 50% assortment across Amazon & Walmart fall under lower price range of less than \$50



Leading brands by assortment	Top 5 brands in top 100 ranking	Top 5 brands by Average Rating
East Urban Home	• MSI	Unique Loom
<ul><li>Bungalow Rose</li><li>Isabelline</li></ul>	<ul><li>Ivy Hill Tile</li><li>Supreme Tile</li></ul>	<ul><li>Affinity Tile</li><li>Safavieh</li></ul>
Foundry Select     17 Stories	Merola Tile     Es Stope	Art of Knot     Well Woven
• 17 Stories	• ES Stone	Well Woven

#### Black Friday Nov 2022 vs 2023

#### • Area Rug

from 624k to 526k

The average price of Area Rug declined from \$784 to \$585

#### Hallway Runners

The overall assortment of Hallway Runners
declined from 157k to 114k

The average price of Hallway Runners
reduced from \$547 to \$213

#### One-of-a-Kind Rugs

The overall assortment of One-of-a-Kind Rugs

declined from 82.9k to 56.3k

The average price of One-of-a-Kind Rugs increased from \$2,356 to \$5,243



# How brands and retailers should tailer their strategy for 2024

# Here's how retailers can tailor their strategies across these key areas in the US home decor market for 2024:

#### **Assortment Strategy**



Diversity is key: Cater to different styles, price points, and trends. Offer a mix of established brands and up-and-coming names. Include sections for eco-friendly products, smart home integration, and DIY enthusiasts.



Data-driven curation: Use analytics to understand local demand and optimize your assortment accordingly. Identify niche trends and cater to specific customer segments.



Experiential displays: Use creative merchandising to inspire customers and showcase products in context. Create themed room vignettes or interactive displays.



Embrace sustainability: Highlight eco-friendly products and responsible sourcing practices. Partner with organizations promoting sustainability in the home decor industry.

#### **Pricing Strategy**



Dynamic pricing: Utilize data analytics to personalize pricing based on customer preferences, competitor analysis, and demand fluctuations. Offer flash sales and exclusive deals to drive traffic.



Bundling and promotions: Create attractive bundles or seasonal discounts to encourage larger purchases. Partner with brands for co-branded promotions and exclusive product launches.



Loyalty programs: Reward repeat customers with loyalty points, personalized discounts, and early access to sales.



#### **Cost Management**



# Inventory optimization:

Use data-driven forecasting and demand planning to minimize overstocking and lost sales. Implement efficient inventory management systems to reduce shrink.



# Operational efficiency:

Streamline logistics and delivery processes to minimize transportation costs. Optimize staffing schedules and training to improve operational efficiency.



# Technology adoption:

Employ digital tools for automated tasks, inventory management, and data analysis to reduce operational costs.



#### **Additional Tips:**

- Stay ahead of trends: Monitor emerging trends in technology, materials, and consumer preferences. Be nimble and adaptable to new market demands.
- **Personalization is key:** Tailor your offerings and customer interactions to individual preferences and needs. Utilize data and technology to deliver personalized experiences.
- Community engagement: Build strong relationships with customers and foster a sense of community around your brand. Host events, offer exclusive benefits, and actively engage with customers online and offline.

By tailoring their strategies across these areas and adapting to evolving trends, brands and retailers can position themselves for success in the dynamic US home decor market in 2024. Remember, the key is to understand your target audience, offer unique value propositions, and prioritize exceptional customer experiences.



# Research Methodology

#### **Preliminary prep:**

Before diving into the data collection and analysis, the team formulated a research plan outlining the specific categories in the Home Decor Industry to be focused on. This helped in narrowing down the scope and ensuring more defined and accurate results.

#### **Data Collection:**

Leveraging our proprietary scraping engine, built using advanced Python and web scraping technologies, our engineers executed the data extraction of the Product Content (SKUs) from all pertinent categories within the Home Décor Category. This comprehensive data assimilation was carried out over a span of 24 months, completed in bi-monthly intervals to facilitate the most current and exact data possible.

#### **Data Cleaning, Standardization and Analysis:**

Our proprietary ETL (Extract, Transform, Load) engine was utilized to ensure our collected data underwent rigorous cleaning and standardization. Our team of analysts coordinated these essential steps to guarantee data integrity, uniformity, and efficiency paving the way for successful subsequent research phases. Following this, our analytics manager conducted a thorough examination of the gathered data, interpreting patterns and trends to aid the creation of comprehensible dashboards and infographics.

The methodology of our research is delineated in this segment, outlining our sequential methods for obtaining, analysing, and using data to provide valuable recommendations in our report. It is designed to ensure that our findings are accurate, credible, and valuable to anyone interested in the Home Décor Industry.

#### **Uncovering Insights:**

Our product manager and solutions manager then collaborated to identify business opportunities within the data. They used insights from the analysis to pinpoint areas of interest for potential growth or improvement within the Home Décor Industry.

#### **Secondary Research:**

Simultaneously, our solutions manager and solutions directors undertook complementary research, studying other significant industry reports and publications. This reinforced our proprietary research and analysis, providing a well-rounded perspective on industry trends, preferences, challenges, and opportunities.

#### **Report Compilation:**

In culmination, the 24-month-long comprehensive data analysis and secondary research conducted using our proprietary ETL and scraping engines resulted in this exhaustive report. This report is designed to give our readers a deep, data-driven understanding of the trends and opportunities within the Home Decor Industry, positioning them favorably in the competitive market.



# **Research Team**



#### **Abhishek Jain**

Abhishek leads the solutions and accelerators development function at Iksula. He has over a decade of experience advising global ecommerce companies on strategy, eCommerce operational models and technology stacks.



#### Yatendra Singh Ranawat

Yatendra is a Product Manager with Iksula. He drives Product Strategy and development for Iksula's solution portfolio. He also manages the Product Intelligence and Product Content Solutions.



#### **Aman Gupta**

As our Senior Manager, Industry Solutions Aman leads the eCommerce operations solutioning with Director-Solutions. He is also responsible for creating proposals, developing advanced solutions, and consulting clients on eCommerce best practices.