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# How Wayfair Has Come to Dominate in a Non-Conventional Marketplace

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When most consumers think of furniture and housewares retailers, some of the big names come to mind: IKEA, West Elm, Target, Walmart, and of course, Amazon. However, in recent years, Wayfair has managed to rise to the top of the list, surpassing even competitors with established brick-and-mortar chains.

So how did Wayfair become a multibillion-dollar e-commerce company selling products that consumers traditionally like to touch, test and put their feet up on before purchasing? Through their own unified, optimized marketing approach.

# **Behind the Wayfair Brand**

With its highly recognized pinwheel logo, Wayfair can be found in social media feeds to product placement in reality shows. Just as cheery as their logo, is their "Wayfair, you've got just what I need!" jingle. For a brand with such a high profile, it is shocking to learn that the company itself doesn't manufacture any of the products it sells.

Unlike Amazon, Wayfair is completely based on a drop shipping model, where its 14 million products are sourced by 11,000 suppliers. Why is this a surprise? Because drop shipping is the number one way small ecommerce sites get established without having to keep goods in stock or produce their own products. However, it is rare for such sites to grow to the scale that Wayfair has since it started in 2002.

Wayfair's success can be credited to its development of a fully integrated omnichannel approach, connecting the traditional print channel with its interactive digital channels. By owning their brand and having full control over their campaigns, Wayfair is able to surpass drop shipping expectations and lead in the online furnishing sector.

# **Understanding the Needs of Their Customers**

Personalization is a major key to Wayfair's email marketing strategy, with 71% of their messaging customized to the recipient's needs and shopping activity. Target marketing on Google, Facebook, Instagram and customer emails heavily dominate their strategy, along with Google ad keywords, which

are commonly utilized by all large scaled companies. However even with those standard practices, there is no guarantee that site visitors would add to cart and complete their transactions.

It is through their willingness to adopt new technology that allows Wayfair to accomplish what even Amazon has avoided in selling large furniture online.

With the use of QR Codes and augmented reality, Wayfair enables customers to visualize products and styles from the comfort of their own home, while also making the shopping experience convenient and seamless.

By understanding the customers' needs to "Try Before You Buy", Wayfair developed its own app with a "View in Room" functionality. Potential customers can select a piece of furniture they are interested in from the website catalog and then use augmented reality to place it in their home space, allowing them to eliminate some of the guesswork in furniture shopping. This is something in-store experiences can't offer, and most other online competitors are not providing as well.

Promotion for the augmented reality app is not restricted to Wayfair's digital properties. Strategically placed in their print marketing, all direct mail sent out (often to the mailboxes of new movers and existing customers) include discount coupons and featured products. QR codes for the featured products take the consumer directly to the product detail page, where directions on how to use the "View in Room" app are provided.



# **Building an Army of Devoted Fans**

With their biggest goal being to build and strengthen their online presence, in particular social media platforms, Wayfair was looking to obtain as many followers from both new and existing customers.

Focusing mainly on Facebook, Twitter and Instagram, Wayfair concentrated on decreasing the number of negative comments and shared experiences, while building a showcase of products and an army of devoted followers.

As quick as they were to adapt new technology, Wayfair embraced the use of Influencer marketing and the Shopping feature on Instagram.

By partnering up with Jonathan Van Ness, the new breakout star on *Queer Eye*, Wayfair was able to reach larger audiences through his personal profile of over 2.8 million followers. It is also on this show where Van Ness is seen opening packages with the Wayfair logos on the sides. With so many home improvement and reality shows to pick from, Wayfair definitely wouldn't be at a loss for collaboration opportunities.

Even more ingenious is Wayfair's use of Instagram's Shopping which automatically tags products in posts, while displaying the price and quick linking to the Wayfair's product detail page. By providing a direct link from the staged product post, it eliminates the possibility of the viewer searching and purchasing elsewhere. With 130 million Instagram users tapping on shopping posts every month, Wayfair appeals by displaying beautiful lifestyle images.

Wayfair's Pinterest account also displays alluring images of the products, with pricing and direct links to the product pages. However, unlike Instagram, Pinterest allows users to pin (save) the items to their boards for future review. This ensures that viewers with particular projects in mind would be able to find the products of interest easily.

While other competitors have embraced the use of Pinterest as well, Wayfair has made it their tagline that "Home is our happy place, now more than ever", which resonates with the Pinterest demographics: the platform is predominantly female (70%) with a third of the users looking to follow brands and companies. Furthermore, 82 percent of weekly active users say they have bought products based on a brand's content on Pinterest.

# Maintaining the Relationship

While Wayfair appears to have a good hold on their sales marketing tactics, the support side of their business seems to have kinks they need to work out. Upon a search for reviews and ratings, multiple sites have Wayfair listed with less than 2 stars and a high number of customer complaints to the Better Business Bureau. However further review of these negative comments seem to indicate issues surrounding the dropshipping model and the products provided by the suppliers. Even with these statistics, there has been no indication of their sales slowing down, proving that their marketing strategies are continuing to entice new and existing customers.

Nevertheless, customer satisfaction is key to all businesses. If Wayfair enhances their quality assurance policy and enforces relations with only suppliers of high-quality products and fast delivery rate, Wayfair can avoid the backlash from displeased buyers. Any successful company knows that customer retention is the foundation of its brand.

# The Future of Furniture Shopping?

With Wayfair leading the way, more online furniture stores are succeeding in what would be an unconventional way of selling household furnishings. Companies like Houzz and Burrow have risen to compete with the bigger companies. With enticing offers such as "free" shipping and trial periods, consumers are putting convenience over the traditional in-store testing.

As technology further evolves, so will the marketing strategies. More clothing services are embracing the "try before you buy" model, alleviating the unwillingness to commit to a purchase. This model will most likely be adopted by most product sellers, seeing that the younger targeted demographics prefer the purchasing power through their smartphone. At the end of the day, if consumers believe that they are getting a deal, but still have the ability to return the product for whatever reason, chances are they will click the buy now button. Impulse buying is much easier to carry out when you are not waiting in a checkout line.

Looking to take control of your marketing strategy? Explore these resources below: What is Owned Marketing? https://www.XXXX.com/owned-marketing

What is Omnichannel Marketing? |Differences Between Omnichannel and Multichannel Mark https://www.XXXX.com/blog/what-is-omnichannel-marketing

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