

Why Beyond is bringing retail brands back from the dead

Article

Earlier this month, Beyond Inc. (formerly Overstock) acquired ecommerce retailer Zulily, which went out of business in late 2023. Beyond Inc. also plans to bring back the Overstock brand, which it sunset after acquiring the rights to Bed Bath & Beyond last year.

It may sound risky to bring struggling or failed brands under one roof, but the trio of Bed Bath & Beyond, Overstock, and Zulily may prove lucrative for Beyond. By combining their product

assortment and tapping into their devoted fans, Beyond could grow each brand and strengthen its retail portfolio overall. Here's how.

More choices at more price points: Currently, the Bed Bath & Beyond website combines the product assortment of Overstock and Bed Bath & Beyond, selling everything from furniture and bedding to refrigerators and lighting fixtures.

- It's unclear what the relaunched Overstock brand will offer, but it's likely it will be similar to its [previous focus on furniture and home furnishings](#).
- With the acquisition of Zulily, Beyond could add clothing, accessories, children's products, electronics, and beauty products to the mix.

Though there is some overlap, Beyond can use each brand's unique pricing model to differentiate them.

- Overstock began as a retail liquidator, offering customers closeout prices. Though the retailer tried to shed that image, it's likely it will serve as Beyond off-price retailer.
- Zulily operated as a flash-sale site, selling customers limited quantities of a specific product for a deep discount.
- Bed Bath & Beyond functioned like other big-box retailers, using coupons and special promotions to drive prices down.

Similar product lines could also [help Beyond shift products from one site to another](#) depending on performance, according to Vicki M. Young at Sourcing Journal.

"In theory, the benefit could be that products that don't sell at one site could be moved to another, whether for special deals as in flash sale at Zulily or for liquidation to clear out the goods at Overstock," she wrote.

As consumers remain on the hunt for the best deals, brands can make shopping more convenient and cost-effective by providing multiple price points for similar products, letting shoppers pick and choose what works best for their budget.

The value of brand loyalty: After its rebranding, Beyond shut down Overstock.com, which was a "fatal mistake," according to chairman Marcus Lemonis, who announced the company would bring back the site ahead of the initial September 2024 target date.

- “Overstock.com has built a legacy ... and when you try to convince people that a new brand is going to do the same thing, you lose them,” he said during a Q4 earnings call. “Turning Overstock.com back on will not only allow Bed Bath & Beyond to expand its existing assortment and home in on its historical legacy success, but it allows Overstock to do the same.”
- The company is also using its mobile app to appeal to former Bed Bath & Beyond customers who miss the brand’s **famous 20% off coupon**.
- The app offers exclusive deals, a daily lotto users can enter for additional discounts, and a coupon hub where customers can see all available deals that day.

A more streamlined company: Ideally, by bringing all of these brands under one roof, Beyond can simplify its internal operations, potentially by combining marketing and advertising teams or streamlining logistics and delivery services.

- Zulily, in particular, may benefit from a more efficient parent company, Jefferies investment analyst Jonathan Matuszewski told Forbes, noting that Zulily’s challenges were due to “unreliable shipping speeds, confusing pricing, and a failure to innovate.”
- But now, under Beyond Inc., “Those headwinds should be largely alleviated” and the brand has the potential to “bolster Beyond’s active customer file and wallet share,” said Matuszewski.

The bottom line: We’re not recommending that retailers go out in search of struggling brands to acquire, but there are some lessons to be gleaned from Beyond’s moves.

- For example, offering products at multiple price points can help increase basket sizes and boost customer **loyalty**.
- And speaking of loyalty, a brand’s namesake can go a long way toward winning consumers over, so retailers should keep that in mind when rebranding or adding new brands to their portfolio.

In case you missed it: The Bed Bath & Beyond brand has undergone quite a transformation over the past year.

- The retailer filed for **bankruptcy in April 2023** and soon after began **liquidating all of its physical stores**. In June, **Bed Bath & Beyond was acquired by Overstock**, which, in turn, rebranded itself as Beyond Inc. and **relaunched Bed Bath & Beyond** as an online-only retailer.

- In February 2024, Beyond Inc. announced it would [bring back the Overstock](#) brand under the leadership of Dave Nieslen, who had previously served as interim CEO of Beyond Inc.
- Then, in March 2024, [Beyond Inc. acquired ecommerce retailer Zulily](#), which [shut down its operations](#) at the end of 2023.
- Both brands are expected to relaunch within the coming months, Overstock in late March and Zulily by the end of Q2.

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