

How Burrow Hopes to Stand Out in a Competitive Ecommerce Category

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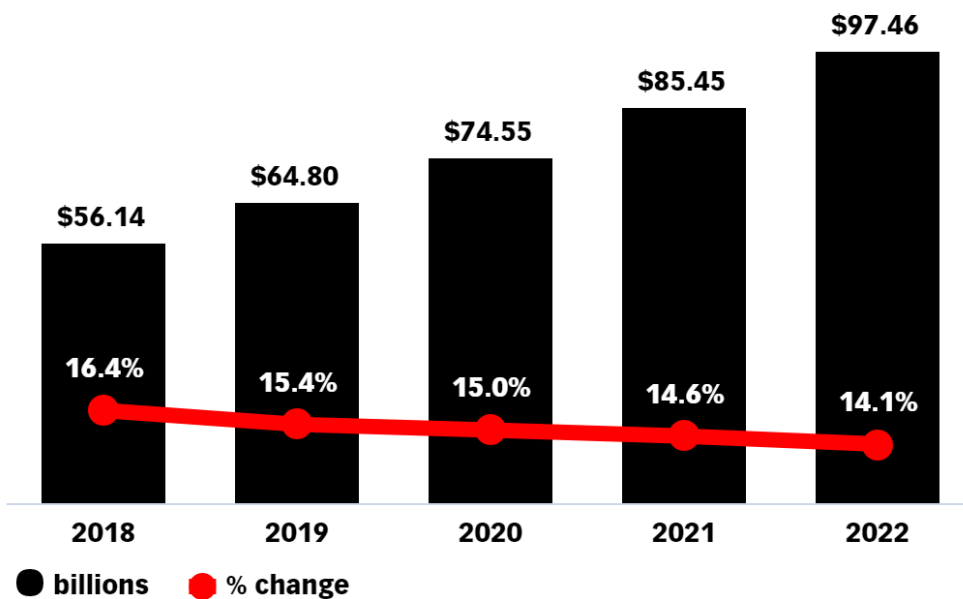
Blake Droesch

Furniture is one of the fastest-growing categories in ecommerce today. More consumers have come around to the idea of purchasing furniture online, and new direct-to-consumer (D2C) companies are entering the space, hoping to win market share by streamlining aspects of the customer experience like cost, shipping and installation.

In the past five years, retail ecommerce sales of furniture and home furnishings have nearly doubled, growing from \$33.71 billion in 2015 to \$64.80 billion in 2019, according to our estimates. This year, we expect the category will grow 15.4% year over year.

Furniture & Home Furnishings Retail Ecommerce Sales

US, 2018-2022



Source: eMarketer, May 2019

www.eMarketer.com

As established furniture brands vie for ecommerce dollars, younger D2C companies need to innovate their marketing efforts to rise above the competition. We spoke with Mark Simmons, executive vice president of marketing at Burrow (a D2C couch company founded in 2017) about the importance of omnichannel strategy, informative retargeting and authentic engagement.

As a D2C company, how does Burrow plan to stand out in a growing ecommerce category?

We've been organized around customer experience vs. just a product and product category. That's the one key difference. We're not just adding category after category to build a brand. We're working on improving aspects of the sofa-buying experience to build a business that solves customers' biggest pain points.

How does this inform your marketing strategy?

It really starts with how we engage the customer and get them interested. One of the most important things is making sure we have a really strong mix of channels and tactics. While social media is our strongest channel today, how we use it and what we're doing has to constantly evolve. For organic social, we want to make sure we're as authentic as a brand can be. We're seeking that level of engagement—whether it's comments, "likes," DMs—and always making sure that we're speaking to them directly.

Another channel is podcasts. People have meaningful relationships with their favorite podcasts. And we don't want to just buy advertising, we want to make sure that we're building a relationship with that platform and its listeners.

One of the benefits of having retail locations is we can use it to build awareness. A lot of the events and partnerships we do are to help bring people in, so they can experience the product firsthand.

*[Editor's Note: Burrow now has **retail locations** in New York City and Chicago.]*

Consumers tend to do a lot of research before purchasing furniture. How do you keep them engaged throughout the sales funnel?

It's a highly considered purchase. It often involves more than one person making the decision, and it's a category in which US consumers don't have a lot of confidence. When we think about the funnel and how we're communicating, we first want to get their attention and then nurture the experience all the way through to purchase and postpurchase. We do a combination of retargeting and communicating. Retargeting in all sorts of channels—whether it's social, display or search—is really a way to give the customer more information.

Are Facebook and Instagram the most effective channels for targeting?

Facebook and Instagram are still No. 1 and No. 2 on effectiveness. But I think the way that we're attacking the problem right now is recognizing that it's going to continue to change, so how do we get smarter about every touchpoint with the customers?

We've put a lot of effort on landing pages and creative optimization, matching to the audience, and matching to their needs depending on where they are in the journey. Nothing else has really worked as effectively as Instagram and Facebook for us yet. Some of that is just engagement and how we've built up our reputation. But there will be other platforms and other channels as we evolve.

Where are you looking to expand your marketing efforts in the future?

We're working with Pinterest now, but it's still early stages. They've really stepped up and improved the tool sets for us to work with and be a participant in. We're very eager about that and what it can be. We're also testing direct mail and other programs like that, too.

We've tested connected TV, and it performed fairly well. We just did some engaging commercial spots that we will consider in the future for Hulu or other connected TV opportunities. For right now, we have enough channels that we're testing and learning before we go back to new TV formats.