Lily ai™

Turning a House into a Home

How to Deliver on Home Product Conversion and Sell-Through

Turning a House into a Home: How to Deliver on Home Product Conversion and Sell–Through

Whether a shopper is moving into their first solo apartment, furnishing their college dorm, or decorating their first home meticulously from room to room, the act of shopping for a home is very much a personal act – and one that shoppers take especially seriously.

How a shopper is going to turn a house into a home is one of the most important decisions a homeowner or renter can make because unlike fashion, where the shopper can grow out of a size or a certain style perhaps, **the decor being brought into a home typically sticks around for good.** Or, at least for *many* years.

Shoppers looking to buy goods for a home want to build from the ground up. However, they aren't going to put up with a complex and frustrating process, when really it should be simple and exciting to search and find the items they really want.

To get home merchandise moving from the store through the shopper's front door, extensive human-crafted, artificial intelligence (AI)-powered product attributes - **also known as the language of the customer** - is something to make room for as a retailer.

In this guide, we'll take a look at both the evolution of home decor trends in America and the latest home decor landscape. You'll also learn about some of the top home decor styles and how effective product attribution can capture these styles, the importance of customer-centric home product attributes, as well as read a brief Q&A with Lily AI's own Senior Domain Expert, Amy Chong.

The Evolution of Home

The Shifts in Home Decor Trends in America

Home decor or interior design is an art that includes both the permanent — and seasonal — furniture and decorative items that make up the interior (or possibly exterior) of a home. The act of decorating one's home can be traced back thousands of years (think Ancient Egyptians' mud homes with animal skin furnishings), but no matter the time frame, one thing has consistently remained the same: **trends are always evolving.**

From decade to decade in America, the home goods industry has seen a myriad of changes in decor trends. From a focus on glamorous, sophisticated decor in the 1920s, to practicality and simplicity during the Great Depression, to the vibrant and psychedelic trends of the 1960s and 1970s, the past century has seen interior design continue to evolve. This evolution has stemmed in response to technological and cultural shifts, along with events happening on a much larger national and/or global scale.

The Status of Modern Housing

In modern times, as more wealth has been collected, homeowners now invest **much more time and money** into actually making their house a home by filling it with the latest trends.

With modern housing, home decor is so much more than just finding a way to marry both beauty, comfort, and functionality together in a style-forward harmony. Essentially, a person's home and the decor they put in it also serves as a way to showcase power, wealth, and social status to others (not just one's own personality) in modern times.

The Home Industry Today

Today's Home Decor

As of today, home decor serves as an effective way for shoppers to portray themselves and their own methods of self-expression authentically. And this shows, with the global home decor market having reached a value of $682 billion in 2021, with the market expected to reach $893 billion by 2027, according to Home Decor Market.

Another thing to consider is the COVID-19 pandemic, especially because it literally confined shoppers to their homes for months and months on end. No longer a separate place from school and/or the office, houses became a place to utilize every inch of space effectively.

Rather than a budget spent on travel and eating out, money spent shifted to major appliances, colorful coats of paint, and an unprecedented demand for new multifunctional furniture to make the most out of the stay-at-home lifestyle shift. According to Comscore, sites in the retail furnishings industry saw a record high number of visitations in 2020, with a peak of 133 million U.S. visitors in May 2020.

A lasting product of the pandemic has been the continued prioritization of comfort, convenience, and coziness for shoppers when looking to buy home decor online.

$682 billion

Total US home decor market value in 2021 – expected to reach $893 billion by 2027

** Home Decor Market

The Top 15 Home Decor Styles

Although today's homes are often built and decorated based on personal preference and tend to each hold a personality of their own in the way they look and feel, many shoppers like to follow the guidelines of outlined home decor styles. This is why we wanted to take the opportunity to showcase a little bit of what these styles are all about.

Let's take a look at 15 of the top home decor styles that are trending for soon-to-be homeowners:

Art-Deco

Art-Deco is a home decor style that embraces machinery with visually striking glamor. Often compared to Hollywood-Glam, think "The Great Gatsby" with its 20s-40s inspired designs and luxury style with symmetrical designs.

Asian-Zen

Asian-Zen is a home decor style that focuses on the flow of energy and balance with nature. This style originates from "Zchenshuiyo," a type of Japanese Buddhist architectural style and relies heavily on the Buddhist concept of "Zen."

Bohemian

With Bohemian home decor there is no such thing as "too much." This style emphasizes self-expression, eclectic patterns, vintage finds, and botanicals. It truly embraces the unconventional and finding value outside of the norm.

Coastal

To keep it simple, Coastal home decor is beachy. This style is on the soft side, with a light and clean aesthetic meant to evoke the breaziness of the beach, keeping it feeling like summer year-round.

Contemporary

Contemporary is an ever-evolving style that reflects what is happening today, but is often defined by simplicity, subtle sophistication, the deliberate use of texture, and clean lines. This home decor style tends to showcase space rather than things.

French-Country

French-Country home decor is often elegant and refined, with the use of luxurious patterns and textiles. French-Country inspired interiors can reflect both country-style and provincial-style characteristics.

Hollywood-Glam

Hollywood-Glam decor is focused on "Old Hollywood," high-polished glamor. This style channels the "Golden Age," and evokes the classic Hollywood vibe in a bold and glamorous, yet not overbearing way.

Industrial

The Industrial home decor style draws inspiration heavily from factories built during the late 19th and early 20th centuries. Industrial interiors are defined by the architectural elements within a space.

Maximalism

Maximalism is the art of more-is-more. It's a showy, eclectic, and ornate home style that draws inspiration from every other home style. Maximalist design goes beyond just filling a room with things, it's about personal taste.

Mid-Century-Modern

The Mid-Century-Modern style loves color and retro inspired designs. It's a modern take on 50s and 60s vintage and is known for the architecture, furniture, and graphic design from that mid-20th century time period.

Minimalist

With the Minimalist style, less is more. However, nothing is purely decorative; everything has a purpose. With Minimalism, there is no ornamentation - no frills, bells, or whistles.

Rustic

Rustic home decor is all about designs that are natural, rough, aged, and casual. It embraces texture and graphics, patterns, and art inspired by nature and animals.

Scandinavian

The Scandinavian home decor style focuses on functionality without sacrificing beauty. It's big on space-saving, stackable, and whimsical designs. The spaces are open, yet approachable with simple and ergonomic designs.

Shabby-Chic

Shabby-Chic is a romanticized version of the English countryside. It embraces femine designs and is shabby - as in cluttered, but in a refined way. It offers a lived-in feel without sacrificing its innocent, delicate, and cottage-like look.

Traditional

Traditional home decor design is timeless and classic. It's all in the details with pieces that are meant to last. The craftsmanship in the Traditional home style is highly sought-after and focuses on classic silhouettes, patterns, and art.

Side Note:

According to Statista, 29% of American consumers chose Modern as their favorite home style in 2020. At Lily AI, we define Modern using other home styles such as Minimalist or Contemporary. From there, it is further broken down into specific attributes.

A Q&A on Home Product Attribution with Amy Chong

Take a house tour on home product attribution with Lily AI's Senior Domain Expert, Amy Chong:

Q: How are home products attributed? How does this differ from fashion?

A: In general, home items are costly to produce in comparison to fashion or beauty items. Subsequently, the home trend cycle moves much slower.

Home product attributes are tagged with detailed, very specific attributes that noticeably differ from fashion, for example:

- **Fabric/Material** | A piece of home decor may be made out of glass, wood, metals, or other fabrics/materials - typically ones that are not applicable to an item of clothing.
- **Shape** | What kind of shape is the furniture? Is it round, rectangular, or geometric?
- **Leg Shape** | Think cabriole, saber, or turned.
- **Wood/Tone** | Wood is not all one tone - it can be dark, gray, red, white, medium, and light.
- **Details |** Pieces of home decor are detailed with beveled-edges,
- curved-arms, and more.
- **Embellishments** | Think foiled, embroidered, frayed, and distressed.
- **Prints/Patterns** | Home decor can feature an array of patterns, from speckled, to floral, to animal print.
- **Material/Treatment/Finish** | Is the furniture shiny, glossy, frosted, or
- possibly matte?
- **Color/Color Family** | Think light vs. dark colors, jewel tones, and more. It's important to get specific here - olive can be both light and dark and many colors have to be considered (i.e., teal, turquoise, blush, lavender, sapphire, terracotta). fall under the lines of both clean and clinical - "cleanical."

Q: What are the most important aspects to consider with attributing home products? How can Lily AI address this?

A: One of the most important aspects to consider is color, as this can vary greatly, and needs to be captured all across the board (or color wheel) in order to keep the shopper's eye from wandering to the next retailer's site. The color should not look or read one way online and then translate differently in person. Lily AI has a very accurate grasp on pattern, size, and color swatches.

The most challenging and important part for shoppers is for them to find the right item. When a shopper is on your site and they search for a "dining table" then they shouldn't be getting results for all random types of tables. Filters and facets should also be appropriately categorized so the right items can be found for the right settings - i.e., the living room, kitchen, or a room for entertaining. Categorization is a big deal and something Lily AI can help to streamline.

How Detailed Home Product Attributes Contribute to Your Success

Homes are often built and decorated based on personal preference and this is exactly why detailed product attributes are so important. Shoppers are unique and they aren't always going to search for the same item the same way as the next shopper. What one person may call a couch, another may call a sofa or a sectional, and it's important to keep this at the forefront of your mind when putting together the item set-up.

Generic home product attributes determined by manufacturers or distributors make it harder for shoppers to actually find what they're looking for, because these out-of-the-box terms don't typically match up with how a consumer actually searches for products. When products are matched with generic attributes, as opposed to **customer-centric attributes** that <u>speak in the language of the consumer</u>, these products are far less likely to reach their potential to sell at full-margin. And this is **not something to sleep on** (unlike a couch) because the price point for these items is very much high-margin.

Utilizing the language of the consumer in product attributes also breeds better, more predictable demand forecasting and merchandising, built to tame the unpredictability of home retailing and decrease the need to mark down inventory later. Lily AI's proxy products and robust computer vision can help accurately forecast demand for brand-new product lines, boost full-margin sales and keep warehouses operating "just in time."
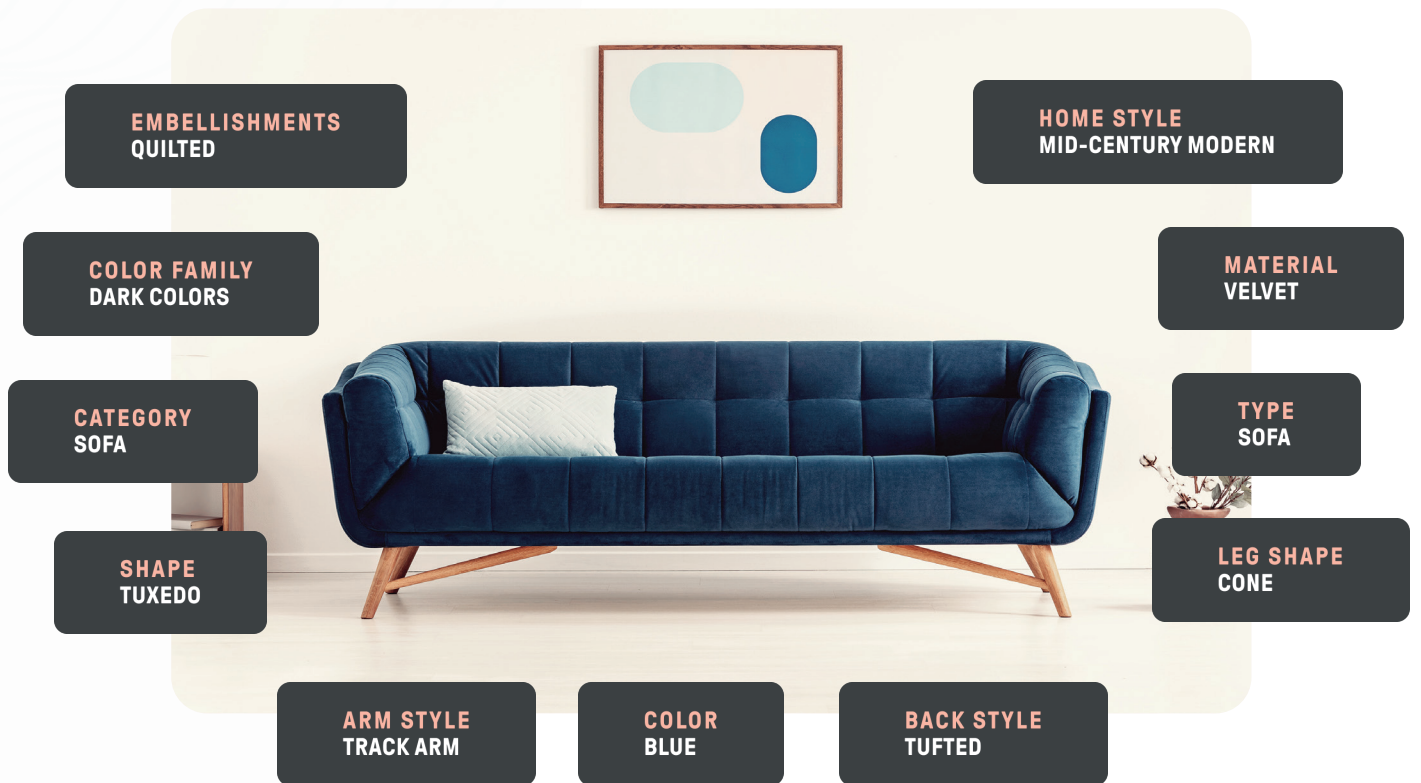
Consumer Attributes:
Synonyms

DIFFERENT SHOPPERS SEARCH UNIQUELY   Category: Couch

Sofa	Chair	Chaise Lounge	Loveseat	Divan
Modular Sofa/Seating/Sectional	Ottoman	Settee Bench
Daybed	Sectional	Sofa Bed/Sleeper Sofa	Studio Couch
Canape	Settee	Living Room Seating	Futon

EMBELLISHMENTS
QUILTED

HOME STYLE
MID-CENTURY MODERN

COLOR FAMILY
DARK COLORS

MATERIAL
VELVET

CATEGORY
SOFA

TYPE
SOFA

SHAPE
TUXEDO

LEG SHAPE
CONE

ARM STYLE
TRACK ARM

COLOR
BLUE

BACK STYLE
TUFTED

Lily AI's Product Attributes Platform

With Lily AI, home brands and retailers can now easily manage a customer-centered language of home product attributes that **supercharges the entire retail stack**, from on-site search, to SEO, to demand forecasting - and then inject those attributes into every destination system from within Lily AI's Product Attributes Manager.

Lily AI's team of domain experts not only have advanced knowledge into the top home decor styles, but they also have the ability to quickly understand which home product attributes are actually moving merchandise from store through the front door. We work with home retail industry leaders to ensure that the language of their customers informs and enhances every point in their retail stack.

Our team of domain experts are not only committed to researching short-term and long-term trends, they also identify the relevant tags that embody each of the many home styles. They then collaborate with the AI-powered automation side to pull and highlight the specific attributes that resonate with each trend, allowing retailers and brands to take advantage of new trends immediately within the Lily AI platform, and inject those attributes to their relevant products to make them easier to discover.

Lily AI's team of domain experts bring their hands-on experience and expertise to help build and develop our taxonomy, essentially guiding our automation to "think and behave like a stylist" for your home – **your own personal interior designer.** Our experts work to make sure the taxonomy remains current and fresh, such as by taking holiday trends into consideration. With Lily AI's domain expertise, home retailers can stay on top of trend identification with in-depth research and the continuous development of product attributes across all the top home styles.

Lily^{ai}

Lily AI is the **product attributes platform** that injects the language of the customer across your existing retail stack, accurately connecting your shoppers with the relevant products they're looking to buy. We drive 8-9 figure revenue uplift for retailers and brands by dramatically improving their on-site search conversion, relevant product recommendations and demand forecasting.

Learn more at www.lily.ai