

Department Stores:

Department stores account for about 12.5% of total US retail sales for household furniture (Furniture Today). Like independent retailers, department stores can be categorised as High-end, medium, or lower-end merchants. Examples are Bloomingdales (high-end); Strawbridge & Clothier (medium, Philadelphia); and May Co. (Medium low-end, California). Most department stores operate a conventional furniture department, a housewares department, & a video and electronics department. Some department stores such as Strawbridge and Clothier and the Broadway also operate "Lifestyles" departments. For many years these "lifestyles" departments were where most KD furniture was sold in department stores.

Canadian manufacturers may find department stores offer excellent business prospects but they should be aware that department stores are extremely service oriented. The main methods of doing business are:

The "in-stock" program (department store makes an initial stock order to back a catalog or mailer program); in this case the initial order can be substantial, or the order will be accepted in pre-determined quantities at pre-determined dates. This theoretically makes sense; however, many manufacturers have found that the department store buying staff are prone to use staggered deliveries as an opportunity to review sales progress to date.