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La-Z-Boy

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SWOT Analysis of La-Z-Boy

Strengths

I. Considered The World's Leading Manufacturer of Reclining Chairs

La-Z-Boy started its company basing its main product being recliner chairs in 1927. With almost 100 years of making reclining chairs, La-Z-Boy has proven itself to be one of the top reclining chair companies due to the number of sales the company generates each year. The company has gone through numerous phases of what makes a reclining chair today. La-Z-Boy has demonstrated throughout the years that it knows what consumers want in a comfortable reclining chair and continues to push for innovation for what future consumers want, making its years of knowledge in reclining chairs its biggest strength. With the number of years the company has under its belt, it is clear that La-Z-Boy will continue to be a top leader in the furniture industry.

II. Transparency in Integrity, Compliance, and Ethics

Throughout La-Z-Boy's about page, the company emphasizes that the company follows the ethical standards it holds for itself. This includes having an ethics hotline, which allows employees across the globe to report any of their concerns and/or violations that they have seen in their workspace. The company has a Code of Conduct that is posted on its website and includes what its employees are expected to follow when it comes to the company's moral ethics.

La-Z-Boy emphasizes that it's transparent when it comes to what happens within its factories. The company has posted a report about what its suppliers and its employees must follow while working for the company. Throughout the report, La-Z-Boy consistently mentions that it complies with the California

Transparency in Supply Chains Act in 2010, it's steps to prevent and reduce the use of forced labor and child labor, and the training all employees must go through when joining the La-Z-Boy team.

Having these constant result-inducing reports about its company's values to uphold integrity, compliance, and moral ethics makes La-Z-Boy a company that consumers could trust. Providing transparency for shareholders and investors allows La-Z-Boy to be a trustworthy and safe company that can be invested into.

III. Has a High Percentage Rate of Brand Awareness and Loyalty

According to a KPI report written by the Statista analysts, La-Z-Boy is a well-known company that many consumers turn to when purchasing furniture. The report states that the brand has an 82% awareness rate in the U.S. and a 75% loyalty rate with its consumers (Al-iriani et al., 2025). These percentages La-Z-Boy reflect that La-Z-Boy has a consumer base that trusts its quality and brand when buying furniture. This could lead to more positive word-of-mouth for the company, thus increasing the number of sales and brand trustworthiness towards La-Z-Boy.

Weaknesses

I. Not Enough Diversity and Inclusivity for Potential Customers

When it comes to purchasing furniture, the company's highest purchasers have reported to be millennials (ages 30 to 45). Although this is good in short term sales, it might later backfire for the company long term. This is because of the growing younger generations becoming the new consumers. According to Statista, Gen Z places third in terms of La-Z-Boy's branding resonating with them (Al-iriani et al., 2025). This narrows La-Z-Boy's ability to reach towards future generations and allows its stock to potentially drop if the company does not begin to already cater towards Gen Z.

Another statistic was that 9% of La-Z-Boy brand enthusiasts are part of the LGBTQIA+. Although the report does not explicitly say why the percentage of LGBTQIA+ brand enthusiasts is low, it does give a slight indication that the community does not turn to La-Z-Boy because the community doesn't feel represented by the brand. This percentage further shows that La-Z-Boy is not taking potential consumers into consideration enough, further leading to less potential sales.

II. Competitors are More Appealing

Statista analysts have reported that La-Z-Boy was ranked 4th overall when it comes to consumer awareness within the furniture industry. Competitors ranked above La-Z-Boy include Ikea, Big Lots, and Ashley Furniture (Al-iriani et al., 2025). Despite the company's high consumer loyalty, the brand ranks the lowest out of well-known furniture brands (Al-iriani et al., 2025). The rank given to La-Z-Boy means that when it comes to choosing La-Z-Boy over other furniture stores, La-Z-Boy would be consumers' last option thus leading La-Z-Boy to have a low number of sales.

III. Reporting with Non-GAAP Numbers

Recent business media coverage has raised concerns for La-Z-Boy Incorporated due to the fact that the company uses non-GAAP (non-generally accepted accounting principles) when sending out its fiscal reports (Yahoo!Finance, 2026). Using non-GAAP numbers may make the company seem good towards its investors. However, this also means that the company is not entirely being clear and accurate with its numbers ([Downie, 2026](#)). This could lead to a decrease in investor trust and in stock price. Various business analysts have reported that La-Z-Boy Incorporated's stock is something investors shouldn't invest in because of the uncertainty created through La-Z-Boy's reports ([Hejl, 2026](#); Smith, 2026).

Opportunities

I. Expand to Gen Z

With the years passing, Gen Z (ages 14-29) will soon enough be considered the Millennial generation to Gen Alpha (ages 13 and below). This means that Gen Z will potentially be the ones to be in the job market, possibly start a new life in a new city, and maybe even start a family. La-Z-Boy could shift its attention towards consumers who are becoming the new adults. This doesn't necessarily mean to ditch paying close attention to older generations. This means that La-Z-Boy should take the opportunity to expand its consumer base in order to keep the company alive in the industry.

II. Focusing on Millennial Parents

La-Z-Boy has a huge Millennial following. As mentioned previously, Millennials are the highest purchasers of La-Z-Boy. Millennials are also the ones who most likely have kids who are born into Gen Alpha. This gives La-Z-Boy the opportunity to advertise to both Millennials and Gen Alpha as both are most likely to coexist with each other ([Gilmour, 2023](#)). With this in mind, La-Z-Boy could take the opportunity to turn more towards Millennials who have children born in the Gen Alpha generation.

III. Appealing to Niche Communities

As mentioned previously, La-Z-Boy doesn't have a huge LGBTQIA+ community. Although it has a small percentage of LGBTQIA+ followers, it doesn't mean that the company has to rule out the possibility of advertising to that community. It was reported that 9% of its brand enthusiasts consider themselves to be part of the LGBTQIA+ community (Al-iriani et al., 2025). Having this in mind, La-Z-Boy could appeal to the community in an authentic way, further expanding its consumer base.

Threats

I. U.S. Economic Factors 2026

One threat that numerous other companies are facing is the “high oil prices, elevated interest rates, and weak housing” (Lakos, 2026). These factors cause La-Z-Boy Incorporated's stock to not be valuable. Also, consumers would focus more on necessities such as food and gas, which could shift the number of sales the company makes. Also, according to analyst Bela Lakos from Seeking Alpha, the increase in oil prices, elevated interest rates, and weak housing prices could lead to how the overall furniture industry will most likely take a dip due to how furniture wouldn't be a top priority for consumers (Lakos, 2026).

II. Competitors are Outperforming La-Z-Boy

According to a Statista report, La-Z-Boy is considered to be a company that consumers would not turn to when looking to purchase furniture (Al-iriani, 2025). The companies that are considered ranked higher in terms of brand loyalty would include Ashley Home Stores, Big Lots, Ikea, and Mattress Firm (Al-iriani, 2025). This could be a result due to these brands possibly being affordable, inclusive, and/or more familiar to consumers. If this continues to happen in the future, La-Z-Boy could decrease in stock price and sales.

Strategic Insights and Recommendations

I. Step Into New Groups

La-Z-Boy could tap into “new” groups such as the gaming community, Gen Z (ages 14-29) and Gen Alpha (ages 13 and below), and the LGBTQIA+ community. These groups give La-Z-Boy opportunities to grow in more sales as well as more brand enthusiasts. La-Z-Boy could appeal more to these groups by making more personable items that fit into those groups' aesthetics. This step could lead to La-Z-Boy to be a brand that younger generations and more communities turn to when deciding to buy new furniture in the future. It could also give consumers a feeling of inclusivity since La-Z-Boy would acknowledge what different groups would like. Media buzz from these groups could also lead La-Z-Boy's brand to be more popular due to social media. Stepping into new groups, such as younger generations, could lead to more

brand recognition for La-Z-Boy since we live in a digital age where furniture reviews and lifestyle trends can be easily shared.

KPI: By the end of the year 2026, the company's media buzz percentages increased by 4%. The company's media buzz percentage will increase from its 2025 media buzz percentage of 26% to 30% by the end of 2026.

II. Utilize Expertise with New Daily Products

As mentioned previously, La-Z-Boy could tap into new groups of consumers while using its expertise in reclining chairs. For example, the company could create gaming chairs that recline, desk chairs that fit the aesthetic that Gen Z and Gen Alpha like, and reclining chairs that show a bit more personality than a typical La-Z-Boy recliner. Creating new things that fit into younger generations' aesthetics and including a more diverse set of reclining chairs could lead to La-Z-Boy gaining more sales. When looking at La-Z-Boy and its catalogue of reclining chairs, none of the chair designs look appealing to younger generations. The designs give a feeling of "grandparent's house." If La-Z-Boy were to produce reclining desk and office chairs for the younger generations, then it would lead the company to gain both more sales and more brand recognition. La-Z-Boy could utilize its years of expertise on what makes a reclining chair comfortable and create desk chairs that would be considered "revolutionary."

KPI: By the end of Q4 of the fiscal year, have an increase in total delivered sales by 5%, beating its 2025 sales by 1%.

III. Use Generally Accepted Accounting Principles (GAAP) Numbers

One thing that various analysts and reporters have highlighted through their articles about La-Z-Boy's Q3 fiscal year report was that investors are wary about La-Z-Boy's stock due to the company using non-GAAP numbers instead of GAAP numbers. When using non-GAAP numbers, the company

essentially is making its numbers in its annual reports higher than they may seem. In La-Z-Boy's case, the company has been using non-GAAP numbers for a few years now, causing uncertainty with investors about whether or not La-Z-Boy's stock is worth investing in ([Hejl, 2026](#)). If La-Z-Boy were to instead report its annual report numbers while using GAAP numbers, then investors would be less likely to invest and keep La-Z-Boy a stock they could potentially invest in the future. Reporting in GAAP numbers also gives La-Z-Boy more credibility and trustworthiness to the brand, signaling to investors that its stock is how it's reported and that the company is being completely transparent.

KPI: By the end of the next Q1 fiscal year, have an increase in business investment by 5%. La-Z-Boy was reported to have its business investments right below 50% ([La-Z-Boy Annual Report, 2025](#)).