

Breaking News from The Globe and Mail

Sears aims at the younger set

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For years Sears Canada Inc. has trumpeted its mainstream Jessica and Nevada in-house clothing lines, building a following of older customers but failing to stir a buzz among a younger set or bolster its apparel sales overall.

Now, in a bid to reverse that trend, the retailer is starting to bring back brands from global powerhouses such as Kenneth Cole and Calvin Klein. It's part of a wider attempt by the department store chain to attract a younger, hipper customer who tends to head to rival specialty chains such as H&M or Winners.

To support its efforts, Sears this month is launching temporary "pop-up" stores on four university campuses, pitching everything from iPods to jeans. And in some of its flagship stores, it is rolling out such popular labels as Buffalo Jeans and CK Denim, which are pricier than the retailer's private labels.

"It signals a change, and I think it's a positive change," said retail consultant Nancy Dennis of Epiphany Branding and a former department store executive. "If you stay the same, you die. Change and excitement and novelty, that's what is driving the consumer right now ... When you're all private label, it all becomes generic and vanilla."

Sears' initiatives comes at a crucial time for the retailer. It faces a tougher merchandising landscape with a new U.S. owner at archrival Hudson's Bay Co. who is vowing to reinvigorate its department store chains. Meanwhile, consumers are spending more cautiously as the economy weakens.

Parent Sears Holdings Corp. plans this fall to introduce its own new lines, such as LL Cool J, to lure a younger shopper.

Sears Canada can benefit from teaming up with high profile fashion manufacturers because they help promote the lines and set up in-store boutiques for the retailer, Ms. Dennis noted.

Last year, the retailer began to cater to a younger customer by stocking popular electronic products, such as DVD players and iPods. Now it has moved to the next phase of the strategy by introducing new apparel lines.

"We've been trying to connect with a younger-minded customer," spokesman Vincent Power said. "All the initiatives we're doing in apparel is to strengthen the business and to try to reach out to younger customers, but not at the expense of our traditional customers."

It's also an opportunity to introduce some higher priced lines to draw shoppers in their 20s with a bigger clothing budget, he said. "There are certain customers who are ready to pay for that style."

The company is also considering launching in 2009 a catalogue under the Eatons name - after the venerable but failed department store that Sears once owned - with higher end brands, he said. And while there is talk that the company will convert some of its flagship stores to the Eatons name, Mr. Power said there has been no such decision.

However, a new soon-to-be built Sears store at the upscale Lac Mirabel shopping centre development has been given the Eatons name in working plans. But it's simply to differentiate it from other Sears stores, he said. The company hasn't decided whether it will keep the Eatons banner on the store.

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