



OPPORTUNITIES

RADICE'S REVOLUTION

THE SHOT (YET TO BE) HEARD ROUND THE WORLD

SELFRIDGES LIBERATION LEADS WAY FOR DEPARTMENT STORES

A department store revolution started six years ago on the other side of the pond that very few people even knew about – and many still don't. More incredible is the fact that the first "unheard shot" has completely destroyed the traditional concept of a department store – a concept that has dominated the better part of the last century. And the store responsible for this revolution is Selfridges – the man behind it, **Vittorio Radice**.

When Vittorio Radice took up the CEO position at Selfridges in 1996, his primary objective was to remove the customer-irrelevant and growth-constraining departmental infrastructure. He replaced this tired format with a structure organized around consumer lifestyles – the idea

However, his priority of creating a compelling "place to be" was only half of the revolutionary equation. The other half was to change the whole consumer shopping experience, which required the radical step of ripping out traditional departments and replacing them with lifestyle concepts. It is important to emphasize that the visible piece of the transformation – the creation of an exciting, fun "place to be" – is not so profound

and could quickly be cloned by competitors. In fact, these are some of the tactics being tested by Federated and Marshall Field's and with which Bloomingdale's owned the "most exciting place to be" for many years.

However, the real profound, less visible and most difficult part of Selfridges conversion was Radice's dismantling and replacement of the old departmental structure with a new configuration and



“place is more important than product”

-Vittorio Radice, CEO, Selfridges

being to re-create Selfridges into an exciting, entertaining and totally compelling destination for consumers, in essence, a powerful brand unto itself. In fact, Radice says, "place is more important than product," a pretty radical statement from a retailer, but one that clearly defines where he believes retailers priorities should be.

process organized around lifestyles. Although this involved a complete restructure of its business processes – from merchandising to marketing – its new business format provides Selfridges with a sustainable competitive advantage.

Radice spoke of consumers frustrations with department stores as the driving force for his radical restructuring. "Women don't shop for, ask

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Robin Lewis has his own communications and consulting business which specializes in analyzing, interpreting, forecasting and identifying strategic growth opportunities for major corporations in the retail and related consumer products industries. In addition to *ROBIN REPORTS*, he frequently delivers business strategy and industry forecasting speeches to a wide range of industry trade organizations, company board and annual meetings, and company management and sales meetings. He also develops and writes speeches for senior executives.

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RADICE'S REVOLUTION

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“Women don’t shop for, ask for, or buy ‘bridges’ ... to a woman today, who does not know or care about these outdated departmental definitions, ‘better misses’ would suggest that there is a ‘worse misses’.”

-Vittorio Radice, CEO, Selfridges

for, or buy bridges,” quips Radice. He points to a typical department store directory and its floor listings of Better Misses, Bridge, Moderate, Junior Dresses, Upper Moderate Sportswear, Updated Outerwear, Better Outerwear, and on and on. He continues, “To a woman today, who does not know or care about these outdated departmental definitions, ‘Better Misses’ would suggest that there is a ‘Worse Misses.’ Women want to be able to easily find a selection of brands for a wearing purpose, and they want to be able to go right to a floor or space where they can find it all, not to two or three different floors, or departments.” He then points to the Selfridges directory that has one total floor for women and a listing of all of the most powerful brands, including Prada Sport, Matthew Williamson, Earl, Ralph Lauren, Versace, Calvin Klein Jeans, Armani, Joseph, Dolce & Gabbana, Laundry, Sportmax, Iceberg, Moschino, Burberry, DKNY, and on and on.

Furthermore, Radice cited how dramatically women mix what they wear today, from a \$200 pair of Nike sneakers to a pair of \$50 Levi jeans, a \$1000 Gucci jacket, and topping it off with a \$10,000 Piaget watch. This “democratic” and diverse mixture of designer and more basic brands, across all price points, added further support for Radice’s plan to house all of the women’s brands together on one floor. He does admit to the enormous challenge of getting these varied brands and designers to live next to each other; however, he is committed

to responding to the consumer and their wishes for an easier and more lifestyle oriented shopping experience. He states that his continual effort to convince the brands and designers that the reorganization is best for the customer is paying off.

So, these consumers’ mandates, according to Radice, required fundamental change in two areas: a reorganization of the merchandising and buying functions and a physical reallocation of space in the stores. Following is an example of how the women’s apparel category has been transformed. This exact structure is in various stages of progress across all merchandise categories: men’s and children’s wear, beauty, accessories, home and technology (comprising about 25% of their total business), and food and catering (accounting for about 10% of the business).

According to Radice, work is still in progress across Selfridges network of stores, but he believes successful changes have been made to at least two-thirds of the business – he is also confident that his complete vision is achievable over the next few years.

MERCHANDISING AND BUYING

Organizationally, Selfridges no longer has “buyers,” or anything that resembles the traditional department store structure. Radice has eliminated 56 buying positions, responsible for 3 million units, whose

“goal in life,” according to Radice, “was to keep goods in stock.” He now has 16 managers, managing 1 million units, whose goal is to be “sold out.”

On top of the newly organized merchandising structure is the head of Creative Direction, responsible for establishing the seasonal trends; buying managers are then responsible for sourcing the product according to lifestyle categories – contemporary, casual, classic and young. These managers are responsible for following the particular lifestyle trends in either maintaining existing brands that match the trend, identifying new major or emerging hot brands, and/or eliminating those brands that are no longer compatible with consumers desires.

As Radice said, “The traditional buyer of suits would know everything about suits, but that was it. They would know nothing about shoes, accessories, shirts, etc.” His “lifestyle” managers must now understand the consumers total lifestyle attitudes and all of the wearing needs for those lifestyles, and then be able to select from the best brands around the world.

Depending on the brand’s size, established awareness and dominance, or if it is an unknown but emerging hot brand, the managers will negotiate differently with each to determine the merchandise assortment, its breadth and depth. No more “cherry-picking” or buying based on past “numbers.” As Radice says, “those numbers are history.” Radice and his team look forward.

LAYOUT AND SPACE ALLOCATION

Once the brands are chosen, their floor positioning will be discussed and mutually agreed to, the final decision however, rests

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with Selfridges. Obviously, maintaining the integrity of their brand is job number one, and certainly Selfridges part of the total value proposition to the consumer. Additionally, the space allocation is not decided upon according to past or expected dollar return. Again, this is a mutual decision, varying from brand to brand.

On the other hand, the brands (except for the start-up brands) are totally in charge of their own layout, design, image and experience, everything that is integral to their brand promise to their consumer.

Radice's view on brands is exactly that of his own. A brand's image and promise, its trust, loyalty and long-standing relationships, are all carefully built over time and should not be tampered with by anybody. Simply, who can better present the brand than the brand itself?

how to use this tremendous amount of energy, passion and creativity that comes from the design companies. He (Radice) is showcasing them in the best way. He is like an extension of their brand efforts. Selfridges has managed to become Diesel's biggest account in the UK because they follow the inspiration and direction of the brands, which is very different from how a typical department store buyer would approach this. They tend to be very oriented towards the past, sell-throughs and best-sellers, not willing to take risks. Even before looking at a collection they very often think they know what to buy."

As mentioned above, the only overhanging challenge, still in progress, are the decisions regarding adjacencies.

THE BRAND, THE EXPERIENCE

At the end of the day, a woman can go to the second floor of Selfridges, Oxford Street, and enjoy a myriad of lifestyle experiences, from young to more mature, with designers and brands mixed together in an exciting and interesting environment. On the younger end of the floor, the ambience, architecture and music will all blend with the attitude, a coffee shop for teenagers who want to chat – the more mature end offers a more sophisticated eating environment. It is one space, a "place" with no aisles, and the departments have disappeared.

A great example of breaking free of the departmental structure and expanding a lifestyle space to attract three generations of women is their transformed "Spirit" area on the ground floor, which had only

catered to a younger, hipper customer. Reorganizing the 2,000 square metre space into three different concepts – Dress Up, Denim Street, and Market Place – the area now flows smoothly from one concept to another, allowing customers to find what they want more quickly. New brands, not carried before, were added along with a mezzanine of fitting rooms and a DJ booth.

The three concept areas mix established brands such as Levi's and Diesel with the newer, hipper Fomarina and Miss Sixty, all in the Denim Street area. The Dress Up concept has special-occasion wear, with brands such as Top Shop, French Connection, Ted Baker, Bertie and Kookai.

Market Place, designed by London architects Soft Room, resembles the popular London street markets. Customers wander through the area as they would in a real marketplace setting, foraging through everything from the Dolly Rocker brand of vintage clothes to Banana Moon, a stall that has funky housewares and gift offers.

THE EXCITEMENT, THE "PLACE TO BE"

True to his word, Radice doesn't stop with the massive departmental surgery and lifestyle brand and shopping transplant. His re-creation of the Selfridges brand as the hot, most exciting place to be is an almost daily stream of events that would be worthy of coverage in *The New York Times* Arts & Leisure section. Their "Bollywood" promotion celebrating Indian movies, a planned "Body Craze" event offering tattoos, ear piercing and body massages, are just two examples of the unique and special "place" that is compelling new customers daily. They have even introduced a toy supermarket in the Oxford Street Kids area, complete with child-sized shopping carts. They were the



This is a great and welcome departure for most brands from the dispersion of most of their products on different floors and in different departments in the traditional department store layout. As **Andreas Kurz**, CEO of Diesel USA, Inc., enthusiastically pointed out at Fairchild's Annual CEO Summit in New York recently, "Selfridges has managed to do a phenomenally great business because they have understood

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largest seller of Apple Computers in the world, had the biggest selection of mountain bikes, and displayed and sold Mercedes Benz' Smart Cars.

As Radice says, "If we find a brand that fits our place, we will carry it." He further proclaims that Selfridges is a place that "is innovative, involves and excites" its customers.

According to Radice, the expense of the almost daily events has replaced what they used to spend on advertising, which they no longer do. Additional funds for this kind of brand investment were also freed up from the cost reductions associated with restructuring the old departmental buying and merchandising functions.

While the events have replaced advertising, Radice cites "the proliferation and power of the media in the past ten years" and their role in promoting brands. "In the UK there are 110 fashion magazines published every month informing everyone on the brand/item to have. They are not talking about private label." Radice points to this fact as supportive of his focus on having the best brands versus pursuing private brands like his U.S. counterparts. "Our job is to have those brands they are reading about every day of the week. The consumers' knowledge is far greater than it was ten years ago. They know about the latest mobile phone even before it comes out. And, happily, they now know Selfridges is the place to go for the best, newest, and hottest brands."

A WAY FOR DEPARTMENT STORES TO REINVENT THEMSELVES

So, it's not just about shopping carts, DJs, coffee shops or food emporiums, daily events, art exhibits or film promotions.

“Selfridges has managed to become Diesel’s biggest account in the UK because they follow the inspiration and direction of the brands, which is very different to how a typical department store buyer would approach this.”

–Andreas Kurz, CEO, Diesel USA

It is about all of those things made possible through the total structural and organizational transformation of the traditional department store into a brand that has as its core promise to the consumer an exciting, fun place to be and a place where they can also find wonderful things to buy.

“RADICE’S REVOLUTION”

- **Change the value proposition and create a brand.** The store is no longer a building which houses a bunch of stuff, all departmentalized, throughout a maze of different floors and product categories defined by terms no longer understood by consumers. Selfridges is a brand, and like all winning brands has established a clear value proposition that continually delivers the promise expected and desired by the consumer: one of London’s most compelling places to go, which also has great brands to buy.
- **Transplant a new structure, organization and strategies to be able to execute the brand’s new value proposition.**
- **Identify and select brands, products and services that fit within the new Selfridges brand and that add value to it.**
- **Allow those brands to do what they do best: image, layout, present, merchandise and manage their brand within Selfridges branded place.**
- **Assure that Selfridges adds value to those brands by attracting and keeping loyal customers to its branded place.**

In the end, it is all about Selfridges brand adding value for the consumer as the “place” to be, which of course is the value they are adding to all of the brands in their “place.” Another way of putting it is that prior to Selfridges establishing their brand as an experience unto itself, they were merely a store that housed brands that consumers would come to buy, thereby adding little value to those brands. Now they are adding tremendous value, at least equal to that provided by the brands themselves. This combination of a strong Selfridges brand with the dominant brands it carries creates a powerful synergy, resulting in new consumers and new growth for both. Therefore, it’s also a great example of “Multi-Brandchising” (see accompanying “Distribution” article).

As Radice said, “Shopping is a moment of freedom.” Accordingly, he has liberated Selfridges from the constraints of departments, consumers from the confusion, boredom and tediousness of the maze, and his branded partners from sharing the slow death of an irrelevant business model.

Vittorio Radice has created a new business model that I believe can provide a solution for stemming the department stores’ chronic share erosion and return them to relevance. Indeed, his revolutionary shot should not just be heard, it should explode around the world. 🍷



DON'T BET THE (PHAT) FARM

BET WEIGHT WATCHERS AND LES WEXNER

Yes, this is a “bet’s off” shot at Phat Farm’s pursuit of a mega-branding expansion, but it’s also a larger message for all businesses in the industry about timing and positioning. Phat Farm just came up on my radar and I figured they could take the hit. But, I won’t bet on that either. Weight Watchers and Mr. Wexner will weigh in later in the article.

Russell Simmons, the powerful music mogul and CEO of Rush Communications, founded Phat Farm ten years ago. Similar to **Sean “P. Diddy” Combs**, Simmons launched his ‘street inspired hip-hop denim and men’s casual-wear business on the strength of his enormous and loyal music following. Indeed, he is credited with mainstreaming rap. Distributed mainly through department and specialty stores, Phat Farm, and now its successful sister, Baby Phat, have an urban and suburban following that is reportedly growing across all ethnicities and reaching about \$150 million in 2001, up from \$20 million in 1998. His top competitors are FUBU, Karl Kani Infinity and Tommy Hilfiger.

So, one would have to agree that the acronym for Phat, “pretty hot and tempting,” is right on. And I guess its relative “hotness” in the marketplace is the itch that Mr. Simmons is now starting to scratch. Apparently not satisfied with such phenomenal growth, he has recently been quoted in a *Crain’s New York Business* article as desiring to catapult his multimillion dollar business into the billion dollar realms of Tommy and Ralph, and is looking at brand extensions into more mainstream and older markets.

Well, in the world of reality, he is blowing bubbles. His well-positioned brand is paradoxical to aging “suits,” literally and figuratively. And it’s unlikely his current loyalists can make that leap. Ralph and Tommy’s brands, whose size he seeks to achieve, staked out a much broader world than that of Phat Farm. Plus, he would be fighting to steal a part of their dominant shares in the department stores, whose total share has been shrinking for at least ten years. Plus, the branded pipeline is over-stuffed in every product market category except plus-sizes and boomers. Finally, and this is just conjecture, his success may be luring him into the “mother” of all apparel traps, the “Gap syndrome.” Simply, the sky’s the limit and the money and speed to get there is no big deal. Then all of a sudden at about 35,000 feet, one discovers the bubble has no more air. Read: his bubble won’t float.

What is wrong with him? He’s not happy with \$150 million and growing in a stagnant industry? Russell! Take the money and run! Why are you trying to add more bubbles to an over-bubbled industry? Just look at the denim bubble you are so well positioned in. Every Goliath and David out there, now including giant out-of-hibernation Levi, are all fighting each other for what little business there is. Look at the congestion in the specialty chain bubble. The world needs less, not more. Try the bubbles called department stores, Penney’s and Sears. Their share bubbles have been popping for years and continues. Your and P. Diddy’s bubbles may currently be inflating in those stores, however, long-term, you may pop right along with them.

Seriously, I would say that you have enough bubbles to deal with right in your own backyard without creating more. Furthermore, and I’m not sure about this, but I don’t think your music business needs help from the apparel industry.

TIMING

Now we get to **Les Wexner**. Russell, listen to him! He’s a very smart man. And this is the part of my article about “timing is everything.”

Mr. Wexner said in a WWD article that he has “...stopped worshipping the Goddess of growth.” I call it the “growth monster,” the clone of Wall Street.

Now, I would not presume to be able to translate for Mr. Wexner, but I’ll give it a shot. I think he meant that in a (very) slow-growing, over-competed environment with excessive choice for the consumer, the more lucrative strategy is one focused on bottom line results. This inherently suggests that a business pursue optimal efficiency and effectiveness within its current envelope, reducing costs on the supply side and getting current customers to buy more on the demand side. In effect, he is deemphasizing the pursuit of new customers, not ruling it out, but placing a higher priority on achieving increased levels of productivity and profitability.

On a macro-level, this is also an antidote to the deflation driving, profit choking, and frenetically desperate clawing for sales, which is all too apparent across all industries. I also hope this offer of a solution to the

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PHAT FARM

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stagnant mess we are now in calms some critics, who felt my October issue was too “dark.”

Russell, read: **this is not the time!** “Less is more,” “trim the fat,” “hedge your bets.” Russell, this **IS** the rainy day you have been saving for. Smile, be happy!

POSITIONING

Positioning of a brand, of course, is a very large, complex, and probably the most critical strategic aspect in branding. So please excuse me for top-lining this Phat Farm issue.

If the enormity of Ralph Lauren’s business is what Phat Farm is seeking, it is important to understand one of the keys to the Polo brand’s success. Ralph Lauren’s brand, for example, emanated from his grand vision of “owning” the entire world of elegance and sophistication. Through his ingenious execution of that vision, he has made almost everything he touches elegant and sophisticated, from Polo paints to Polo pants, from babies to golden retrievers. Simply, Ralph owns a huge piece of the world where the wealthy and wealthy wannabes reside. And that is a very broad consumer universe, across all ages, genders, and ethnicities. While Phat Farm is a very powerful brand, it emanated from and caters to a much narrower and more fickle niche, than the very broad universes of Tommy and Ralph.

So, I guess a big issue for Russell will be this: when he attempts to take his guy out of the “Farm,” can he take the “Farm” out of the guy? In other words, the strength of his brand identity among his loyal consumers will be tough to broaden. And I certainly wouldn’t start with suits.

“I know the Ralph Lauren brand and Phat Farm is no Ralph Lauren.”

—Marshal Cohen, Co-President of NPDFashionworld

However, that happens to be one of his first big expansion initiatives. Maybe he’s blowing bubbles rather than chasing them. Anyway, as the suit category continues to be challenged, last summer Simmons inked a licensing deal with suit maker Marcraft, to launch a line next spring.

As **Marshal Cohen**, Co-President of NPDFashionworld pointed out, Phat Farm, like all urban emanated brands, is challenged to expand across middle America. If and until that happens, the urban markets are just not big enough to get them to the Ralph and Tommy levels. Cohen quipped, “I know the Ralph Lauren brand and Phat Farm is no Ralph Lauren.”

Now I will weigh in with the Weight Watcher’s lesson to be learned. It’s safe to say that the Weight Watcher brand has a clearly focused mission and identity, which is to help people lose weight. In the early 90’s H.J. Heinz acquired Weight Watchers. What’s wrong with this picture? Do you think Heinz’ brand strategy is to get people to eat more of their brands? Hi! You got it.

Upon takeover, Heinz eagerly started pushing prepackaged meals to those overweight members whose sole purpose in the group was to lose weight. I’m sure the meals were low-cal; however, the members soon spotted the hard sales pitches for what they were. It therefore weakened the primary promise of

the Weight Watcher’s brand as a “support group.” Needless to say, attendance plummeted.

This analogy is pertinent for Russell Simmons on two levels. First of all, as pointed out in the Polo example, Phat Farm has a strong identity where it is currently positioned. Its consumers would likely accept an expanded product offering within that positioning. However, like the Weight Watchers/Heinz example, if the Phat Farm brand attempts to bring oil and water together, it doesn’t mix.

Secondly, on a more macro-level, perhaps Russell Simmons should consider himself lucky, having built a huge apparel business when his real talent lies in the music business. Granted, other celebrities have and are doing well as owners and endorsees. However, again analogous to the Weight Watchers/Heinz experience, at some point an equal focus on two totally different businesses might begin to blur, which will end up hurting both.

Another piece of philosophy, ironically with its roots in music, was cited by **Doug Rossiter**, President of the Advantage Group, a consulting and industry benchmarking company: “Simmons should ponder that old James Taylor song, ‘What will I do if my dreams come true?’ In the case of Phat Farm, maybe go broke with the help of their courted retail partners.”

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PHAT FARM

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As I said, Russell, smile and be happy with what Phat Farm has achieved, follow Wexner's timing advice and the Weight Watcher's positioning advice, and grow the brand within its potential. A final consideration is to "stick to your knitting" which may not be apparel.

However, as you will most likely stay in both, don't bet the "Farm" on apparel bubbles that are sure to pop.

COUNTERPOINT

Potentially beneficial to the overall business are the DJU denim collection, Run Athletics, both tied to music and recording artists, and his wife's Baby Phat collection. All of these, at least, have relevance to the brand's urban core.

Simmons also reportedly has an eye out for investment partners with the deep pockets and experience of giants such as Liz Claiborne, Kellwood, and Jones, who could provide the leverage necessary to catapult his megabrand idea into the big leagues.

Well, in my opinion, good luck! For example, I can't imagine any one of those three CEO's putting a Phat Farm label in a suit. It would be comparable to putting a Liz Claiborne, Sag Harbor, or Jones label on a pair of hip-hop baggy jeans.

Having said that, however, any one of the three might see Phat Farm as an opportunity for portfolio growth, but would advisedly keep it within its current brand "DNA" or positioning, where there is still a lot of room for growth. 🍷

STRATEGIC ISSUES & ANSWERS

DISTRIBUTION PART III:

SORRY! NEXT ISSUE

Because the Selfridges "revolution" so directly relates to the transformation of the retail landscape and future distribution scenarios, I felt it was important to address Part III in greater depth and with some different perspectives that surfaced while writing the Selfridges article.

So, hold your breath. Part III will be more important than ever for you to study and gain some insight into new opportunities for your business. Furthermore, I will be naming the names of some of the winners and losers, which should clearly define your position and whether or not you will make it into the land of channel-blind consumers.

In the meantime, to bring you up to date:

SEPTEMBER/OCTOBER ISSUE
HIGHLIGHTS

- **Consumers demanding more for less because they can, as a tsunami of choice washes across their bow.**
- **Wal*Mart and "Tarjay" reaching up-market, Tiffany reaching down-market, as just a few among many, looking to steal business from each other out of a limited pool of polygamous consumers who switch loyalties indiscriminately.**
- **Mere survival requires consistently excellent performance throughout all segments of one's business.**
- **Winning requires competitive superiority in at least one segment.**
- **As the survivors all prepare their equally excellent choices for the consumer, the winner will arrive in front of the consumer first, faster and more often, therefore...**

- **Superior and ubiquitous distribution trumps all other strategies for gaining sustainable competitive advantage.**
- **Superior physical distribution through (a) superior supply chain management for speed, flow and replenishment; (b) the multichannels of clicks, bricks and catalogues; and (c) the physical movement of one's value as close to the consumer as possible.**
- **Superior strategic distribution through the identification and distribution of one's value to new consumers.**
- **When distribution is shared with a retail or vendor partner, it is imperative that both be equally value additive to each other to achieve synergy and mutual superiority. If not, parity will prevail and ultimately both will fail.**
- **Innovative distribution trumps product innovation which is quickly and easily cloned.**
- **"Multi-Brandchising" as a bar-raising new distribution strategy:**

1) **Externally**, the concept of merging two equally dominant brands with different value propositions, achieving incremental growth from each of their current consumers while leveraging their different value propositions to achieve new growth from new consumer segments, and
2) **Internally**, employing heretofore untapped superior internal supply chain capabilities to gain both incremental and fundamental new growth.

EXAMPLES

EXTERNAL: Target and Michael Graves – both dominant brands with different value propositions (Target as low-cost distributor,

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DISTRIBUTION PART III
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Michael Graves as up-market designer). Both add equal value to each other and provide incremental growth with their current consumer base.

However, because of their different value propositions, a synergy is created that levers new consumer growth. The Neiman's customer stopping by Target for paper towels spots the Michael Graves collection and buys into the great designer at a great price. Thus she becomes a new consumer for Target and Michael Graves. Likewise, the Dollar General customer, aspiring upward, goes to Target to buy Michael Graves and buys her paper towels while there. Thus, a new consumer for both.

INTERNAL: Wal*Mart taps into heretofore untapped areas of their enormously superior supply chain, primarily distribution. They can tap into infinite new growth opportunities such as automobiles, and they're now the largest food distributor, thereby creating growth synergies and opening fundamentally new consumer markets. 🍷

To be continued in the December issue...

- "Brandchisers" Avon, Coach, Kohl's
- "Brandscendentalism" and winning "Brandscendentalists" H&M, Aveda, Talbots, B&B, Victoria's Secret, Zara, Lucky, and more
- "Brandscendental" brands meet "channel-blind" consumers in a transformed retail landscape

NOTE: IF YOU MISSED PARTS I & II OF THE DISTRIBUTION ARTICLE IN THE SEPTEMBER AND OCTOBER ISSUES, PLEASE LET US KNOW AND WE WILL E-MAIL THEM TO YOU.

ROBIN'S BRIEFS

KOHL'S! LET YOUR PEOPLE KNOW!

Kohl's top guys had better grab their regional director up there in Rhode Island and shake some sense into him. He was quoted as saying, "We want to have the look and feel of a department store, but have the convenience of a discounter." Is this poor guy out of the loop or what?

I would have said it's like saying I'd like the look and feel of the Titanic, although it seems Federated, at least, is rearranging the deck chairs. And while I don't deny that discounters may be convenient, the industry consensus is that Kohl's owns the words "convenience and ease of shopping."

Furthermore, I don't think there is a major department store that hasn't begun copying a lot of the look, feel, convenience and ease of shopping that Kohl's preempted and branded.

Does this director understand the power and absolute unique niche of his brand? Kohl's was fortunate in many ways, not the least of which was not getting stuck in a lot of losing malls, and has, with great acceleration, been putting their brand right across the street from their "working mom" customer. She buzzes in and buzzes out and sometimes puts her kid in those shopping carts.

Hey, up there in Menomonee Falls! In fact, it isn't your regional guy who should take my abuse. It's really your fault that he doesn't have a crystal clear, tip-of-the-tongue Kohl's positioning statement. Why don't you start one of those Wal*Mart-type pep rallies every morning? You can teleconference your regionals and instruct them about their truly unique, bottled and branded position in life, one that is competitively superior and that they can claim as their own. 🍷

QUOTES TO REMEMBER

ON MAKING NEW FRIENDS

BEFORE: "I'm a people person," stated Lizzie Grubman, relating her professional networking skills to help her in the slammer.

AFTER: "She told me she had been signing autographs for the inmates," said a friend, indeed confirming Lizzie's skills.

HARVEY IN THE PIT

"Chairman Pitt has violated the 'First Law of Holes,' which is, when you are in one, stop digging," says Rep. Edward Markey, a Massachusetts Democrat.

ECONOMIC RETROSPECTIVE

"I am like any other man. All I do is supply a demand."
-Al Capone (1899-1947), American gangster

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