

Marks & Spencer

The new e-boutique concept store of Marks & Spencer is its first step to re-enter the Netherlands with a clear focus on the cross-channel consumer.



Market opportunity

The concept is built around the online buying opportunity of food and non-food, a strong and growing trend in the Netherlands.

The new e-boutique is only the first step of Marks & Spencer's strategy to enter

the Dutch retail market. The primary focus of the e-boutique is fashion, but M&S is expected to present itself as a full-range department store. Two flagship stores, containing their total offer, will be opened shortly and smaller food stores are expected

to open near gas stations. The hidden opportunity is their unique combination of food and non-food and the total shopping experience they can offer, an often still underserved segment in the market.

This, combined with their focus on the higher-end

Key data

- Format: e-boutique concept store
- Opening: 2013
- Store Location: Amsterdam (Netherlands)
- Number of Stores: 1 in the Netherlands
- Size of Store: 500 m²
- Product Mix: Food & Fashion

segment, offers huge potential in a market with big rivalry at the low end and mid-market. Furthermore, their target audience is slightly older than fellow fashion retailers like H&M and ZARA, an appropriate strategy in a country with an aging population.

Case description

The M&S stores in the Netherlands were profitable in the past, but their focus on their home market and

core business made them decide to close stores. Now, they are back in the Netherlands with a brand new concept store in Amsterdam. In France this concept was already a big success and now their focus is on being successful in Holland. Marks & Spencer is a full range department store but the focus of the e-boutique is primarily on fashion. They offer the consumer all kinds of online and technological innovations within a physical





environment. Customers can view clothing samples and order products online with a digital clothing rack on a life-sized screen. The store has about 120 samples which gives customers the opportunity to try on and touch, but not to buy, of course. Style advisors are equipped with ipads and customers can use their smartphones with the free in-store Wi-Fi. Furthermore, customers can visit the totally Dutch version of the M&S website. M&S offers the consumer

the opportunity to buy their favorite products any time they want, anywhere they want and anyhow they want. This is a good strategy in a market with a growing number of consumers who like to shop both online and offline.

Conclusions

Marks and Spencer is pioneering a new way to enter a market initially through an e-boutique to build trial and awareness followed by brick and mortar stores. Technology can provide new pathways for growth at less risk. ○

Retail mix

- Marks & Spencer offers food and non-food.
- Cross channel is a full department store.
- The focus of their e-boutique is mens and womens fashion.
- The focus of their flagship stores is food/non-food all departments.
- The focus of their small stores is food.

Points of innovation

- A unique combination of food and fashion.
- Entry model with primary focus on the cross-channel consumer.
- Physical shopping in an online and virtual world.
- Focus on advising not selling.
- Small store, big (online) choice.

