

## Does M&S Need to Replace Plan A?

How consumers deal with austerity is a major factor in this year's Christmas retail clothing sales. And that's because a prolonged economic downturn activates contrasting consumer buying behaviour in different age groups.

The festive sales results now emerging indicate a typically diverse group of winners and losers. Next have done very well, M&S, along with many others, very poorly. However, though Marks and Spencer and Next both have equally loyal shoppers, they are polarised along two planes.

Firstly, M&S shoppers are predominantly aged over forty, whilst those of Next are less than forty.



Would, for example, 2000 plus customers of M&S emulate those of Next - by queuing from midnight onwards in Birmingham's Bull Ring Centre on Boxing Day to secure 50% off sales bargains. Almost certainly not. The M&S shoppers are far too busy sleeping after consuming copious amounts of fresh turkey, double cream and vintage port. Queuing through the night is not for them.

The second, far more important buying behaviour differential, is that the M&S shoppers, being much older, are much more risk averse. When times are economically tough, they would rather save money or pay down credit card debt for example, than go and spend. So in austere times, M&S clothing is always going to be a hard sell, no matter how good it is.

Way back in May 2013, the critics raved about M&S newcomer, Belinda Earl's autumn and winter collections - Lisa Armstrong of the Daily Telegraph being quoted as saying, "M&S is definitely back in the game." This positive review was further reinforced by the Telegraph's influential Hilary Alexander in August when she said, "M&S has returned to what it has always does best, offering clothes that are great quality, stylish and good value for money."

So despite great clothing, bumper sales figures did not materialise. Interestingly too, there is no evidence emerging to indicate M&S loyalists are buying clothes anywhere else either. They are just not buying clothes full stop.

Arguably the only synergy between the two groups is the love of a bargain. Next were very astute (or lucky) not to discount too early. The M&S 20% sale in early December certainly suggested to *the oldies* that more bargains were ahead. After the 20% sale stopped, purchases dried up only to be cranked up again by a 30% sale on many clothing lines middle of the month

So is the real Plan A troubling M&S is not about saving the environment, more about austerity and how to help its loyal shoppers deal with it.

The good thing is that there are solutions available if they really want to revitalise themselves.

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