



AUTHOR:
SUE BUTLER

2019

boohoo

BOUGHT KAREN MILLEN AND COAST BRANDS

2020

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BOUGHT OASIS AND WAREHOUSE ONLINE BUSINESSES

JANUARY 2021

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BOUGHT DEBENHAMS BRAND AND WEBSITE

M&S

ACQUISITION OF JAEGER BRAND AND DEALS WITH PHASE EIGHT, JOULES, HOBBS AND SEASALT

FRASERS GROUP

ACQUIRED PSYCHE, ADDING TO PORTFOLIO THAT INCLUDES SPORTS DIRECT, HOF, FLANNELS AND JACK WILLS, INCLUDING STORES

FEBRUARY 2021

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BOUGHT DOROTHY PERKINS, WALLIS AND BURTON BRANDS, BUT NOT SHOPS

ASOS

BOUGHT TOPSHOP, TOPMAN, MISS SELFRIDGE AND HIIT BRANDS, BUT NOT SHOPS

High profile acquisitions across all retail sectors have been hitting the headlines in recent years. At the beginning of 2021, whilst the UK was in the height of the winter lockdown, there was a flurry of activity as survivors of high street closures rushed to purchase the brands who sadly couldn't weather the storm.

Strategies have (loosely) split into two categories: Grocery and General Merchandise mergers have included stores, making use of existing estates and large formats to offer extended product ranges to customers; Fashion has focused on the value of the brand, excluding stores from the purchase and instead driving an increased digital offering.

There isn't yet a clear blueprint for what the end offering will look like for the customer and in a number of instances we are still waiting to see how it will play out. What impact will 'Brands at M&S' have on fashion performance? How will Frasers Group integrate their brands? And will the return of Debenhams to the high street as a beauty standalone set the path for similar physical stores?

A number of major strategic questions – consolidation of competitors, digitisation of physical brands – and structural

considerations – future organisational structure, consolidation of functions and systems – need to be worked through in each instance. Within this are the Commercial teams, where I have seen significant inefficiencies, but limited investment in optimising the operating structure across brands.

A clear example of the challenges that can result from not reviewing how brands operate together was seen recently; multiple owned brands were revealed to have bought the same products from the same suppliers, then selling them at different prices. The retailer disclosed that the brands, "work independently ... [and] are not privy to what's being bought and sold across the other group brands."

Here are some thoughts on how short-term optimisation initiatives within the Commercial teams can help retailers to achieve the benefits of a multi-brand product portfolio:



1

Brand/Category mapping: Understand how customers will experience the business across brands and channels. Realign brand/category roles to strategic objectives as part of the range planning process.



2

E2E process review: Look at core processes 'end to end', tracing across functions from trigger to end customer outcome. Identify opportunities for simplification, standardisation or tactical automation. Then understand where longer term technology transformation will be beneficial.



3

Knowledge sharing: Simple but effective, recognise and leverage pockets of best practice to standardise tools and ways of working.



4

Future skills assessment: Align on the skills that will be differentiating for the business going forward. Perform fit gap analysis based on current team strengths and define plan to upskill or recruit talent.



5

Organisation vision: Define a future-facing vision for the Commercial organisation, seeking opportunities to increase flexibility of resource through consolidation, centralisation or ...



6

Agile working: Mobilise cross-functional teams to 'problem'-solve' around emerging customer needs, cutting across channel, function and category siloes.

If implemented effectively, the outcome will be reduced operating costs, a more flexible, engaged workforce and compelling, commercial customer propositions that maximise brand value.