

## ANALYSIS

The unpredictable British weather is often blamed for poor fashion sales. **Emily Hardy** looks at ways retailers can take shelter from the elements

# Weatherproof strategies, come rain or shine

**F**ashion retailers are having a tough year. The BRC-KPMG's retail sales figures found the sector had its worst decline in April since September 2014 – for the second consecutive month.

Fashion bellwether Next reported a 0.2% drop in first-quarter sales this month, which it attributed in part to colder weather in March and April and an “unusually warm” Easter holiday period.

April showers and May flowers can no longer be relied upon as volatile weather hits clothing performance. But some retailers are trying new tactics in their battle against the elements.

A selection from Marks & Spencer's autumn collection, for instance, went into stores last week, rather than as part of the traditional seasonal ‘big drop’. The retailer has focused on ‘seasonless’ products that can be layered up or down to be worn all year round.

Here are some more ways that retailers are weathering Britain's temperamental temperatures.

## Stay open

Although some products need to be bought in large volumes, retailers can remain open-to-buy (not committing budget to a full season's stock upfront) for many items, especially non-staples.

Fat Face and Debenhams, both of which performed well over the tricky Christmas period, took this route.

Debenhams said that, as well as choosing to invest in fine-gauge knitwear and stepping away from high levels of heavy outerwear, it had greater levels of open-to-buy, which introduced flexibility into its model.

The group said that resulted in it entering the post-Christmas Sales with less discounted stock than in previous years. Meanwhile, its full-price sales were up 5%, helping margins.



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## Slim stock

Another solution is to condense stock levels, particularly in the clothing category.

In order to reduce its exposure to weather-sensitive products, Debenhams reduced stock levels by 1.9% overall and by even more in particular weather-dependent categories. As a result, the retailer said it carried less stock into the post-Christmas Sale.

“While this has reduced the rate of sales growth in the balance of the half, it has supported a further 90 basis points reduction in markdowns in the half year,” it reported.

Debenhams has also rebalanced its offer towards non-clothing categories, which resulted in a strong performance in gifting and beauty, particularly over Christmas.

## Embrace apps

Tesco launched a trial earlier this year with the IFTTT – If This Then That – smartphone app, which allows its online shoppers to link their shopping basket with other apps on their smartphones.

Shoppers can set the app to add barbecue food to their shopping basket if the weather is going to be nice at the weekend, for example.

By embracing predictive online shopping technology such as this and Amazon's Dash button (a wi-fi connected device that reorders products with the press of a button), retailers can potentially avoid reliance on good weather at weekends or bank holidays.

They can instead make sure their customers' supplies never run out, or capitalise on poor weather by warning them to stock up on a particular item before a storm hits, for example.

Another retailer that is capitalising on the unfavourable British weather is Hunter.



The wellington boot specialist has developed a festival hub on its website providing a “mud forecast” for each festival.

## Get transitional

Fashion retailers are increasingly investing in transitional ranges to help offset the unpredictability of British weather.

Outgoing Bonmarché chief executive Beth Butterwick told *Retail Week* last year that the fashion retailer had invested in “weatherproofing” its range following an unseasonably warm autumn.

Meanwhile, New Look's range of kimonos – another transitional item – priced between £12.99 and £50, were bestsellers in 2014.

Last month, John Lewis included the coatigan on its top 10 list of items that shoppers will be buying this winter as the perfect item to wear through changeable seasons.

For fashion retailers to ensure their offer is relevant all year round, they should diversify their clothing ranges and be less reliant on traditional seasonal items.

## Depend on data

To fully understand the impact the weather has on people's buying behaviour, data is key, says Ben Latham, director of digital strategy at online retail specialist Summit.

“It's important to look at historical sales and weather fluctuation, looking at trends spanning over 10 years to get a full picture,” he says.

Retailers can use the information to plan ahead, empowered by a fuller understanding of seasonal behaviour and the products that spike in extreme conditions.

Latham adds: “The beauty of digital means that campaigns can be built and pushed out locally in real time, as soon as the sun moves behind the clouds.”