Chapter 5 Case Study: “RIDING THE PLUS SIZE WAVE”

For years, Hollywood and the advertising media perpetuated a stereotypical image of women. As a result, many consumers have the unrealistic expectation that women are (or should be) poreless, hipless, silken-haired, high-cheekboned, size 0, 20-year-old goddesses. But is this beauty myth finally changing? Companies like Charming Shoppes, Inc., parent company to plus-size American retailer Lane Bryant, are doing their darnedest to see that it does.

Lane Bryant was founded in the 1900s in New York, first as a retailer of maternity apparel and later as the first women's apparel retailer devoted exclusively to plus sizes. Acquired by Charming Shoppes, Inc. in 2001 from Limited Brands Inc., Lane Bryant is part of the retail holding company's strategic plan to pull itself back from the brink of bankruptcy. Now, 74 percent of Charming Shoppes' revenue comes from sales of plus-size apparel.

The future looks even brighter. The apparel industry defines plus size as 14 and up—today that includes 62 percent of American women. According to Mintel, the plus-size clothing sector rang up $34 billion in sales in 2008. While this shift in demographics bodes well for Lane Bryant, the increase in the plus-size market does not directly translate into heftier sales. Plus-size customers tend to spend less as a percentage of their total disposable income on apparel compared to women who wear smaller sizes. Most analysts attribute this gap to the fact that retailers have not done a good job of making fashionable clothing available to plus-size women. According to one executive, "People are more accepting of their bodies today, and I think there has been a positive influence with role models. Years ago, manufacturers were only interested in making low-end plus-size merchandise because they thought customers were always in transition. Now no longer."

Lane Bryant is fighting this tide. With new product lines and promotional campaigns, the company sends the message that it's not only OK to be a plus-size, but that women in this category can be just as stylish as anyone. Lane Bryant focuses on en vogue styles previously available only to more modestly sized shoppers. Its strategy includes offering larger sizes in the upscale Seven Jean Collection. It also includes an expansion into the lingerie category with its new Cacique brand. In addition to selling lingerie in Lane Bryant stores, Charming Shoppes is positioning itself as a Victoria's Secret competitor by opening dozens of stand-alone Cacique stores. Other retailers are noticing this market and beginning to make a move. Will Lane Bryant's efforts change how society perceives the "typical" woman? Charming Shoppes' recent financial performance seems to indicate that this may be the case. Revenue for 2008 was just over $3 billion. In addition, the company claims to rank number two in overall women's plus-size sales behind Walmart.

Other retailers are also getting in the game. Hot Topic, Gap/Old Navy, Target, Lands' End, Saks Fifth Avenue, and Macy's are among national retailers in the United States offering or expanding their assortment of plus-size apparel and increasing promotional efforts for this category. With these industry changes, who knows what images of women the media of the future will celebrate?

Sources: www.spoke.com, accessed May 23, 2009; "Plus-Size Teens and Women—US—November 2008," Mintel Oxygen, accessed May 23, 2009; Leigh Gragan, "Looking Good: Plus-Size Styles Are All About the Fashion," McClatchy Tribune Business News (March 26, 2008); Keiko Morris, "Finding Both Fashion and Fit: Plus-Size Retailing Is Becoming Hot as Demand Grows for Trendy Clothing in Size 14 and Up," Knight Ridder Tribune Business News (May 28, 2007): 1