



PHOTOS: H&M

H&M's country manager Magnus Olsson says the brand's primary concern is always to find a store that is big enough to accommodate all the different sections it offers.

Come December, H&M will add a fourth level to its current three-storey flagship store at Orchard Building.

The new space, previously unoccupied, will be dedicated to the kids' department, which will span 10,000 sq ft and include a full range of kidswear, as opposed to half the range it carries currently.

At present, the kids' department takes up half of the flagship's third floor and shares it with menswear. As part of H&M's expansion plans, menswear offerings will also increase, taking up the vacated space.

Speaking to Urban in an interview last month, Mr Magnus Olsson, H&M's country manager, who oversees the China, Hong Kong, Malaysia and Singapore markets, says: "We will be able to offer the entire H&M kids' concept store, with merchandise ranging from those for newborns to those for pre-teens aged eight to 14. It will also include a full maternity range which we did not have before.

"We've designed this new floor with parents and children in mind. In the new space, their shopping experience will be greatly enhanced with fitting rooms for kids, which we don't have at the moment. There will also be wider aisles to cater to prams, as well as attractive visual displays for the kids."

Kidswear prices (right) range from \$7.90 for a jersey top to \$49.90 for a jacket.

This expansion, adds the 46-year-old, is in response to the flagship store's strong sales for kidswear, which makes up about 20 per cent of the company's total Singapore sales.

While he declines to go into specifics, Mr Olsson reveals that kidswear, especially dresses for girls and short-sleeved jersey tees for boys, generally sells out faster in Singapore than in the other markets he oversees.

He says: "There has been no spike in demand but the store's strong performance allowed us to explore the opportunity to have a bigger and better kids' department."

The expansion is part of the Swedish retailer's larger plan to have a greater

SWEDE DREAMS FOR ASIAN MARKETS

H&M has big plans to expand in Asia, including having a 10,000 sq ft space for kidswear at its flagship store here. ROHAIZATUL AZHAR reports



presence in Asia.

By the end of the year, H&M plans to open 60 stores across China, Hong Kong, Malaysia and Singapore.

Currently, the company has 148 stores in these territories, five of which are in Singapore.

The three newest stores, located in JEM, VivoCity and Suntec City, were opened last month over a period of two weeks. Mr Olsson says: "It's pure coincidence that the openings fell within a few days of one another. The last store we opened was last November at Ion Orchard and the response was overwhelming. So, we took the opportunity to expand even more, especially when the location offered to us was good."

The company's six-month report for the months of December last year to May, which was released last month, showed that sales here increased by

38 per cent to 279 million kroner (\$53 million) compared with the same period the year before.

However, the figures also rose because of the opening of the second store at Ion Orchard. H&M declined to reveal the projected and actual takings of each store.

Good location with heavy traffic flow is important to H&M, Mr Olsson says. "If it's a good marketplace, it is a good marketplace. But, to build a good shopping experience for our customers, our primary concern is always to find a store that's big enough to accommodate all the different sections we offer."

Retail analysts Urban spoke to say that H&M's reputation as an

international brand, as well as its value-for-money proposition, makes it compelling for the company to open numerous stores in the country.

Dr Seshan Ramaswami, associate professor of marketing education at the Singapore Management University, says: "Shopping for fashion is a major hobby for many Singaporeans and an international brand such as H&M is almost guaranteed to have a very successful launch as shoppers here are always looking for something new at reasonable prices."

The challenge is to keep up the excitement over the years.

Mr Olsson is not worried, adding that customers are enthusiastic and appreciate H&M's ability to present new merchandise every two weeks.

"We have about 100 designers working in the company and we are able to produce affordable, quality, trend-driven items that shoppers want."

On-trend items, such as bright coloured pieces or those with graphic prints, are quickly snapped up by shoppers. However, he admits to being surprised at the popularity of winterwear here.

He says: "Colourful garments and summer clothes are expected to sell in Singapore. However, we also see strong sales for our thick coats."

"I believe this is because Singaporeans like to travel and we offer quality and trendy winterwear at affordable prices."

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