

# On the Fast Track

Spanish apparel chain Mango figures out how to grow its U.S. customer base.



Mango, a Barcelona-based seller of fast fashion that fits roughly in the same mold as H&M, Forever 21 and TopShop, has dreamt of making inroads in the U.S. for a number of years. It opened its first U.S. store, branded MNG by Mango, at South Coast Plaza in Costa Mesa, Calif., in mid-2006 and had planned to follow that up with an aggressive expansion at class-A malls and lifestyle centers throughout the country, says William DiSanto, whose firm, Schiller Park, Ill.-based Englewood Construction, worked on five Mango stores.

Eventually, Mango did open 17 stores (including five that have since closed), but it had trouble

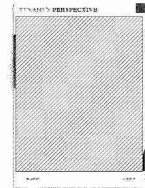
clicking with customers. While the chain is fairly popular in Europe and Asia (it operates more than 1,300 stores worldwide in countries ranging from Iraq to Finland), American consumers didn't know who Mango was, DiSanto explains. The fact that the retailer did not do a lot of advertising and put most of its stores into malls instead of Main Street locations in big cities also worked against it, adds Craig Johnson, president of Customer Growth Partners, a New Canaan, Conn.-based consulting firm.

Mango hasn't given up, though. It has changed course. In December, it announced a partnership with department store chain J.C. Penney Co. Inc. for an initial rollout of 75 MNG by Mango stores within JCPenney locations. In addition, jcp.com will carry Mango apparel. The stores-within-stores, averaging approximately 1,000 square feet apiece, will sell business clothes, casual sportswear and accessories and be positioned in the center of JCPenney women's apparel departments. The rollout is scheduled to begin in the fall of 2010. By the fall of 2011, Mango hopes to grow this store-within-a-store model to 600 locations.

The arrangement should help expose the Mango brand to the average American woman, while minimizing the risk on investment, says Johnson. At the same time, it might also allow JCPenney to bring an element of cool to its apparel department and draw in customers younger than the typical 45- to 60-year-old JCPenney shopper. Mango's target demographic is women in the 18- to 40-year-old range.

## ▼ YOUNG AND TRENDY

Mango globally has developed a strong following among women in the 18- to 40-year-old range.



## Fast Facts

Origin: Barcelona, Spain  
 Focus: Fast fashion  
 First store: 1984  
 U.S. entry: 2006  
 U.S. flagship: Soho, New York City  
 Official face: Scarlett Johansson