



Bluewater, Kent



Westfield Stratford City

## The rise of Missguided

Making the leap from online to bricks and mortar could be a risky move, but the judges believe Missguided could be dynamic and forward-thinking enough to make it work

**O**n a mission to “empower females globally to be confident in themselves and be who they want to be”, Missguided has made a big splash over the last year.

The retailer, which has branched from online into the offline environment, has turned heads with its multichannel model and high ambition.

The Missguided story all began with a loan of £50,000 in 2009. Since then, the business has expanded steadily into new channels, new looks and new markets.

The big news in the past 18 months, though, has been its move into bricks and mortar.

In keeping with its boldness of brand, Missguided did not do things by halves with its pilot stores. Its physical presence has been about making big statements in prominent locations – Westfield Stratford City in London and Bluewater in Kent to date.

### In-store theatre

In-store the idea has been to create an immersive brand experience, with floor-to-ceiling digital screens, motivational quotes and mermaid mannequins.

This desire to make a splash is typical of Missguided, founded by entrepreneur Nitin Passi. It is evident in Missguided’s distinctive website and its social media following of more than 4 million people.

Missguided has deployed the most modern of techniques to connect with its 16- to 25-year-old target customers, from a shoppable Snapchat feature to innovative marketing campaigns with influencers such as Baddie Winkle, the “world’s coolest grandma”.

The Snapchat initiative has proved successful. Missguided replicates its Snapchat stories within its own app, making them shoppable in a way that the Snapchat platform doesn’t allow.

Customers interacting with the feature typically have far higher dwell time than the average app user. The function has also drawn many new users to the app.

As well as working with celebrities, influencers and bloggers, Missguided has drawn on its customer base to boost sales.

The retailer created a shoppable Instagram feed, called #BabesofMissguided, enabling customers’ outfits to be bought by others.

So far, the hashtag has been used more than 100,000 times – an impressive word-of-mouth marketing initiative.

The latest phase of Missguided’s development has been about taking the brand to consumers beyond the domestic market.

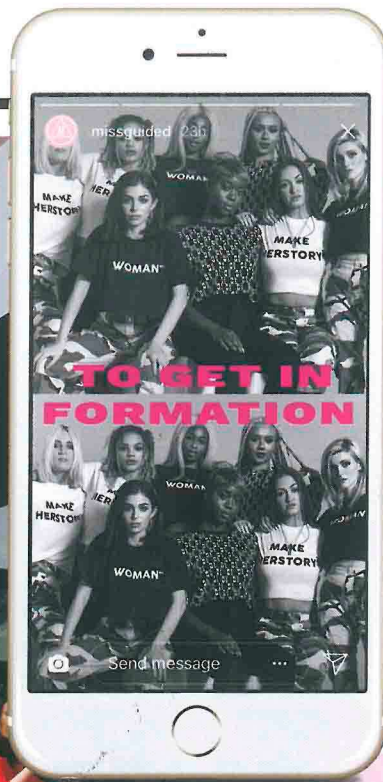
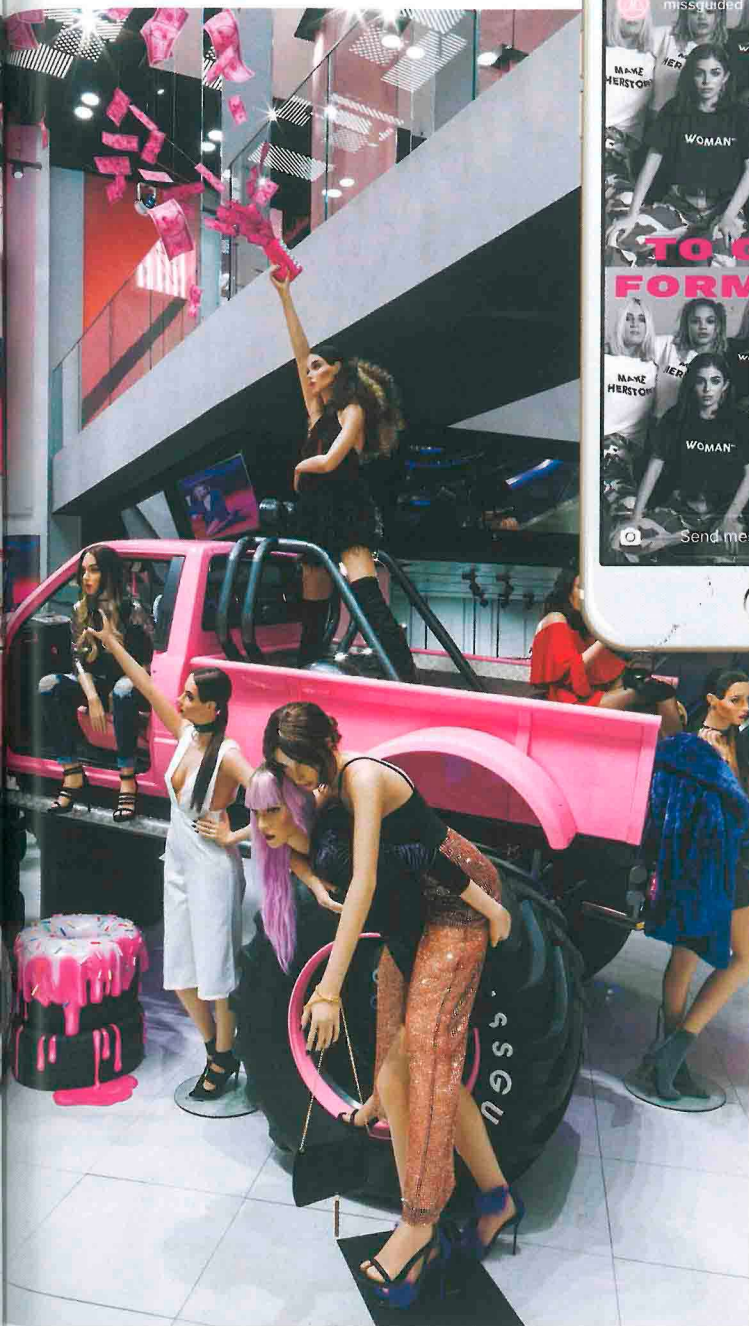
### Global expansion

Now 30% of all sales are accounted for by overseas orders, boosted by the launch in recent years of dedicated local sites in the

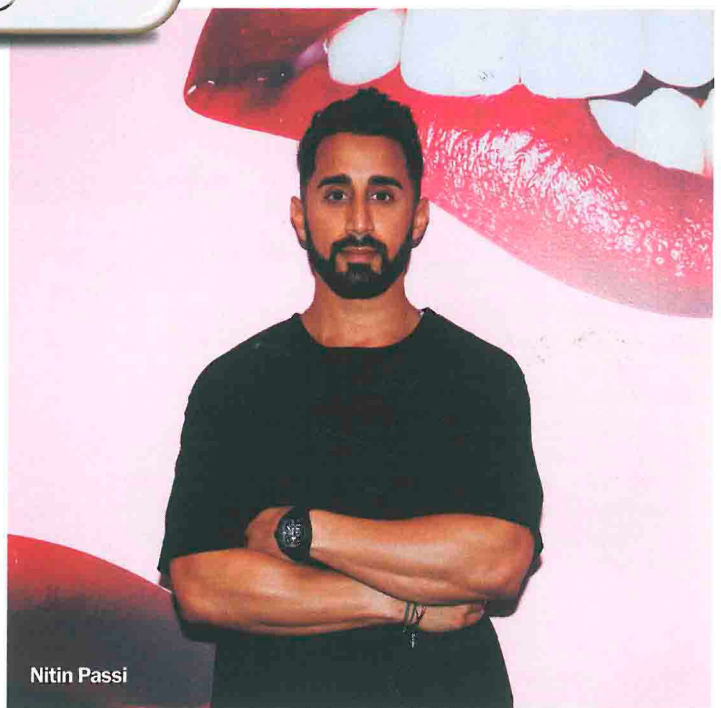
### Vital statistics

- Missguided was launched by Nitin Passi with a £50,000 loan from his family
- UK sales in the most recent financial year hit £118.3m
- The retailer has previously spoken of reaching £1bn sales by 2020
- It delivers to 160 countries
- More than 95% of products are designed in-house





**My vision is to operate multiple brands the way Inditex and H&M do. Look at those two groups and the stores they are putting out. It can still work if you get the recipe right**  
**Nitin Passi**



Nitin Passi

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The overseas push has been bolstered by online and offline tie-ups ranging from US department store group Nordstrom through to Zalora, which describes itself as “Asia’s leading online fashion destination”.

The judges all agreed that Missguided’s bold approach deserved recognition for its skilful combination of fashion flair and technological prowess.

This attention to technological detail was evident in Missguided’s focus on making the checkout process as frictionless as possible –

a clunky procedure is a big turn-off for online shoppers.

Missguided developed a ‘global checkout’, which since its introduction has resulted in a significant uplift in completion across all the territories in which the retailer operates.

One judge said: “I think it feels and looks like a tech company. In many ways, Missguided is a very modern retailer, it’s building a great team up in Manchester. The speed it’s doing it at is superb.”

Another judge noted: “It feels like a very interesting modern approach that’s working, and I think a lot of retailers will be

looking at it and wondering how they can bring some of this into their businesses. I’m wondering to myself, ‘is this going to be the model for retail going forward?’”

Missguided got attention in the judging process for its innovative model. But it was also recognised for being a good old-fashioned success story in traditional terms.

**All-round proposition**

As one judge remarked: “It’s an amazing growth story. Missguided has done a great job creating and developing its brand, it knows its customers well and it has a really well-differentiated offer.



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Missguided campaign imagery



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**Judge**



Westfield Stratford City (and above)

## Timeline

- 2009** Missguided is founded
- 2013** Launched US and Australian websites
- 2015** Opens new headquarters - described by Cosmopolitan magazine as "so cool it hurts"
- 2016** First standalone store opens at Westfield Stratford City
- 2017** Missguided boosts its senior team with appointments including former Shop Direct deputy chief executive Gareth Jones
- 2017** Group sales reach £205.8m

"It has got a good all-round proposition that customers understand well."

With soaring year-on-year growth in its overseas business, evidently Missguided has found customers internationally who get the brand as well, and want more of it - just the sort of progress and growth the judges like to see.

From its origins as a partywear specialist, Missguided has developed its offer into a raft of categories. It has keyed into the vogue for athleisure with the Missguided Active label and has also added bridal to its collection.

Passi sees plenty still to go for. In an interview with Retail Week

last year, he outlined the scale of his aspirations for a fashion empire. He has also launched the Mennace menswear label, which is sold through its own website and on Asos.

Passi said at the time: "My vision is to operate multiple brands the way Inditex and H&M do. Look at those two groups and the amount of stores they are putting out all over the world. It can still work if you get the recipe right."

## Facing up to challenges

As a young, growing business Missguided's profitability has been variable, sometimes reflecting investment and sometimes the challenges of sustaining the pressures of rapid growth.

Building a new business always brings risks, as entrepreneurs try different ways of doing things. And there are inevitably potholes along the road.

After the awards judging day, Missguided revealed that it would cut around 50 of its 800 staff in response to tough conditions.

Passi said: "While we continue to create new roles in many parts of our business, the pace of growth has left some of our teams less lean than they need to be.

"This is something we need to face into given our strategy, the

tough market we play in and our ambition to continue fuelling rapid growth."

But despite the turbulence, the judges were impressed by all that it had achieved in the previous year and the impact it had made among consumers and retailers alike.

On its showing so far, Missguided has demonstrated keen retail skills, customer understanding and innovation, making waves in retail. **RW**

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