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Introduction

With the rapidly changing international business environment due to the rapid advancement of technologies as well as geopolitical dynamics, it has become essential that businesses are able to navigate the complexities with differentiable strategies in order to overcome the technological disruptions as well as shifting consumer preferences. In this regard, Next PLC is one of the leading British multinational retailers which has a specialty in clothing, homeware and accessories. In FY2024-25 alone, the company has posted a revenue exceeding 6 billion Pounds and of that, almost half has come from online sales (Next PLC, 2025). In this strategic report, a comprehensive and in-detailed analysis will be undertaken to determine the justification of the company expanding into Canadian market successfully. To do so, firstly, the selection of the organisation and the target market will be elaborated with justification. Then, strategic frameworks will be employed including PESTEL analysis, Porter's Five Forces, SWOT analysis, Ansoff Matrix, Porter's Generic Strategies and lastly, the VRIO framework. All of these frameworks will be utilized with a view to establishing the evaluation of the possible strategic expansion of the company into the Canadian retail sector.

Section – 01: Selection of Organisation and Target Market

Chosen Organisation: Next PLC

Next PLC was established in 1982 as a single store and from then on, the company has become one of the most successful retailers in the history of the UK with over 500 stores in the domestic market as well as over 200 stores across the globe. Moreover, the company has an impressive financial performance, as well, with its revenues extending beyond 6 billion Pounds with its operating profits extending beyond 1 billion Pounds mark (Next PLC, 2025).



Figure 1: Store of Next PLC (Bloomberg, 2023)

Another important strategic positioning of the company is its segmentation that includes Next Online, Next Finance, Retail stores and the Total Platform division. With a diversified portfolio alongside extensive focus on sustainability, the company remains to be one of the most dominating companies in the retail arena of the UK as well as the international market.

Target Market: Canada

Canada presents one of the major opportunities for Next PLC to capitalize upon. This is because of the market's impressive size and even more impressive is the growth rate. As of 2025, the Canadian retail market has been valued at CAD \$834.55 billion with a growth rate of 4.9%

(Expert Market Research, 2024). Moreover, the apparel market alone has a valuation over CAD \$40 billion with a remarkable growth around 10% (Retail Insider, 2024).

The Canadian apparel market has many characteristics which favor international entrants significantly. Currently, specialty stores have the most demand in the country due to high regional growth. Moreover, e-commerce penetration remains around 11.9-13% of total retail sales in 2024-2025 (eMarketer, 2025). All of these characteristics directly align the differentiation strategy used by Next PLC, making the Canadian market a solid target for the company.



Figure 2: Canadian Resale Apparel Market (Toneguzzi, 2019)

Lastly, there are certain geopolitical advantages for Next PLC to operate in Canada. Here, the Canada-United States-Mexico Agreement can enable the company to opt for preferential trade agreement across three borders with duty-free treatment for qualifying textile and apparel products (Trade.gov, 2021). Moreover, because of Canada's relatively stable political environment, the company will remain to be favored in most of the ways.

Rationale for the Decision

The rationale for Next PLC to move into the Canadian market lies in the market growth dynamics, strategic capability between what Next PLC possesses and what the Canadian market has to offer and lastly, the competitive landscape remains to be in favor of the company due to the differentiation employed by Next PLC.

This is why by mitigating risks by leveraging market characteristics such as alignment of cultural and linguistic similarities between the UK and Canada can enable the company to extensively operate in the Canadian market sustainably. With a combination of substantial market size, growth dynamics, cultural affinity as well as retail infrastructure offered by the Canadian market, Next PLC remains to be positioned competitively.

Section – 02: Comprehensive Strategic Analysis

PESTEL Analysis

The PESTEL framework is one of the most important ones in assessing external environmental factors (Yusop, 2018). The PESTEL analysis of Canada in relation to Next PLC is provided below.

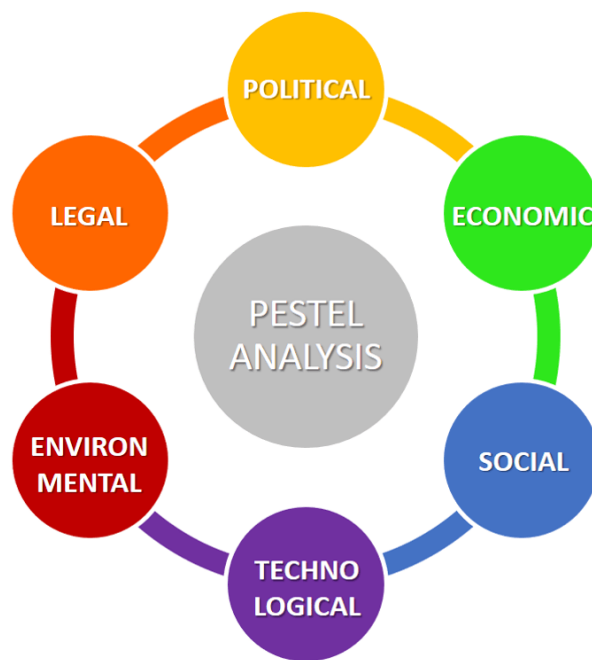


Figure 3: PESTEL Analysis Framework (de Bruin, 2016)

Political Factors: The political environment of Canada has always demonstrated stability as well as transparency which are both essential for smooth international business operations. With a parliamentary democracy, facilitated by many democratic institutions and favorable policies towards businesses, Canada is one of the most sought-after destinations for businesses (Market Research, 2024). Moreover, the government of Canada has remained committed towards trade liberalization which it has also demonstrated through its CUSMA/USMCA agreements (Trade.gov, 2021). Although the recent tariff war waged by the Trump administration has made it difficult for the Canadian businesses to enjoy such agreements, the UK imports still remain to be favorable in the country.

Economic Factors: In the face of current developments, the economic status of the country has been giving mixed signals with GDP growth projects showcasing modest expansion in the next few years. The 2025 forecast is at 1-1.8% whereas in 2026, the forecast gets very slightly better to 1.1-1.8% (OECD, 2025). Moreover, the consumer spending patterns of the country show increasing confidence as interest rates fall and inflation stabilizes (Bank of Canada,

2025). Moreover, the recent devaluation of the Canadian Dollar against the US dollar has significantly deteriorated the cross-border trips by at least 30% (LinkedIn, 2025).

Social Factors: Canadian social and cultural dynamics are dominantly favorable to the business operations of Next PLC. Because of the country's population being conscious about high fashion with relatively younger demographics being dominant, the company has major opportunities to leverage (Retail Insider, 2025). Again, in Canada, sustainability consciousness plays a big role for any corporation to stand out and differentiate itself from the crowd. As Next PLC already has a lot of sustainability-related initiatives ongoing, the company can keep itself competitive.

Technological Factors: Canada is one of the most technologically advanced nations in the world with very high digital adoption rate. Currently, with a 11.9-13% e-commerce penetration of total sales, the growth trajectory of the country remains solid even though the numbers remain lower than other international markets (eMarketer, 2024). Mobile commerce of the country is currently growing at 18.1% CAGR which represents the fastest growing channel of the country. Moreover, Apple Pay, Google Pay etc. are also very popular as the digital payment infrastructure of the country remains to be quite advanced. Again, as Montreal is considered to be one of the global AI hubs, accessing technology to facilitate technological solutions is also quite easier in Canada (Pest Analysis, 2024).

Environmental Factors: One of the most unfavorable factors of Canada incorporates its environmental factors as Canada hosts one of the strictest regulatory environments when it comes to environment. However, there are opportunities available in the country, as well. Firstly, the country is committed to achieving net-zero emissions by 2050 which is properly prescribed in its Canadian Net-Zero Emissions Accountability Act. As the retail sector accounts around 10.5% of Canada's greenhouse gas emissions, the sector faces extensive scrutiny from governmental agencies (CCLI, 2022). Also, the Canadian Sustainability Standards Board has introduced Canadian Sustainability Disclosure Standards 1 and 2 in 2024 which have extensively increased the mandate of enhancing transparency of any and all climate-related risks (STX Group, 2025).

Legal Factors: Canada's legal environment provides one of the safest business environments due to the strong implementation of rules and regulations to protect businesses from any harm in areas such as contract enforcement, intellectual property rights etc. However, the laws relating to protecting consumer rights are also very rigid (Market Research, 2024). As a result, there are both opportunities and challenges available in the market for Next PLC to navigate

around. Also, there are employment legislations protecting employees from any harm rendered by the organisations operating in the country which further makes the legal environment of Canada a challenging one for Next PLC to navigate.

Porter's Five Forces Model

The use of Porter's Five Forces model helps to provide an in-depth analysis to assess industry attractiveness by evaluating five specific forces (Bruijl, 2018). The Porter's Five Forces model is applied to Canada below.



Figure 4: Porter's Five Forces Model (Planium, 2021)

Bargaining Power of Suppliers (Low): Due to immense competition and availability, the power of suppliers remains quite low. The other influential factors include supplier concentration, product differentiation as well as switching costs. Again, there are thousands of suppliers across Asia which include countries such as China, Bangladesh, Vietnam and others (Made in CA, 2024). This makes operations more feasible for Next PLC in Canada.

Bargaining Power of Buyers (High): As there are many brands operating in the Canadian market already, the switching cost for buyers is quite low, making it difficult for Next PLC to

remain competitive. Again, due to digitalization, the choice of consumers remains proliferated. However, buyer power remains variable due to the various segments in the market with specialty and premium markets segments having more loyal customers (Retail Insider, 2025). This makes operations harder to sustain for Next PLC in the Canadian market.

Competitive Rivalry (High): Because of the presence of many established brands in the market such as Hudson's Bay, Aritzia, Reitmans, Le Château alongside other international fast fashion brands including Zara, H&M, Uniqlo and others, the competitive rivalry runs high in the Canadian apparel market (Retail Insider, 2023). With e-commerce further intensifying the competition, facilitated by Amazon.ca, Shein and Temu, the competition remains denser than ever. However, with proper competitive differentiation in areas such as price positioning, product quality, brand identity etc., companies continue to operate in the market (CBRE, 2025).

Threat of New Entrants (Moderate): Due to the business environment of Canada, the threat of new entrants remains to be high, however, in the apparel retail, there is moderate height of such threat because the need of high capital for creating physical presence as well as curating an effective market entry strategy. Again, as there is always going to economies of scale, the threat is only going to be lower for major companies if the new entrant is a relatively small company (CBRE, 2025).

Threat of Substitutes (Moderate): The threat of substitutes is manifested through multiple channels including the second-hand market expanding at a significantly higher growth rate than traditional retail market. Substitutes such as ThredUp, Poshmark, Facebook Marketplace etc. continue to grow at increased rates, creating major challenges for retail giants such as Next PLC to take an entry into the Canadian market (Made in CA, 2024). Again, there are apparel rental services which can be considered to be a niche right at the moment, but with time, they will also contend the retail sector as a substitute.

SWOT Analysis

The SWOT framework helps to undertake assessment of a company in terms of its internal strengths and weaknesses as well as its external threats and opportunities (Sammut-Bonnici and Galea, 2015). The SWOT analysis of Next PLC is provided below.



Figure 5: SWOT Analysis Framework (LinkedIn, 2025)

Strengths: One of the major strengths of the company is its consistent financial performance which directly supports its Canadian market entry. As of 2024, the company has reported a revenue of 6.12 billion Pounds including an operating profit of 1.09 billion Pounds. Again, the company is excellent when it comes to omnichannel excellence as 44% of its total sales take place online (Next PLC, 2024). On top of that, the company has amassed major customer loyalty by building its brand image with programs such as Next Membership program (ainvest, 2025).

Weaknesses: One of the greatest challenges facing the company is its concentration of sales being entangled with the UK as 90% of its sales come from one country only (Research Methodology, 2023). Again, with the rise of digital presence, the company's performance in its physical stores has declined quite drastically by as much as 8% in recent years. Lastly, with the recent shipping delays occurring due to Red Sea shipping delays from Asia, the company also has to deal with its supply chain challenges (Woozle Research, 2024).

Opportunities: The Canadian market has multifaceted of opportunities awaiting Next PLC. Firstly, the apparel market growth of the country is quite tremendous and in line with the

objectives of the company (Retail Insider, 2025). Again, with e-commerce expansion expediting in the Canadian market makes way for the company to leverage the possible opportunities. Lastly, there is limited UK retail presence in the country, making it quite lucrative for Next PLC to make the move.

Threats: There are already many established brands operating in the country, producing significantly higher competitive rivalry which will cause major headaches to the company. With the US-Canada tariff tensions rising, it is only going to be worse for Next PLC to leverage the existing trade agreements between the two countries (OECD, 2025). Also, there are too many regulatory complexities across the country's federal, provincial and municipal jurisdictions which will cause nothing but barriers for Next PLC to thrive.

Insights and Strategic Implications

Based on the above analysis undertaken, some concrete insights can be identified which are critical to the company's expansion into the Canadian market. First of all, the Canadian retail apparel market is undergoing robust growth and already has amassed massive size in terms of value. Moreover, the market also has sophisticated buyers which further validates the market entry strategy. Furthermore, the company's omnichannel capabilities are strongly aligned with Canada's increasing digital adoption and use of e-commerce. Lastly, the competitive landscape of the country is still presenting opportunities to those who can differentiate from the rest of the market in a mid-to-premium positioning.

There is also strategic imperative for Next PLC in terms of geographic diversification as the company enjoys 90% of its revenues arising from the UK alone despite having vast international operations across many borders. As a result, with a regulatory and consumer-driven market, Next PLC can stand out even in this competitive market by remaining authentic and upholding its quality strategy as well as brand image in the Canadian market. Now, the company must make strides to avoid getting into legal complications and more importantly, it must continue with its sustainability efforts in the Canadian market, as well, so that the conscious customers of the country can remain lenient towards the new brand and in the process, help the brand to establish significant presence in the market.

Strategy – 03: Strategy Development and Formulation

Strategic Direction and Rationale

Based on the information identified about the Canadian market, it is important for Next PLC to establish scalable omnichannel presence by incorporating e-commerce excellence, specific product curation as well as adaptation to the Canadian market's characteristics. This is an effective strategic direction for Next PLC to follow because it aligns with many theoretical frameworks in the real-world, as well. By incorporating the resource-based view perspective, this strategy enables Next PLC to utilize all of its valuable, rare, difficult-to-imitate capacities to the best of its ability. As per dynamic capabilities theory, in order to achieve successful international expansion, understanding market opportunities and at the same time, taking over the opportunities is what sets one apart in the competitive markets (Teece et al., 1997).

By incorporating a phased approach, the company will be able to mitigate the relevant risks more effectively as undertaking a full-scale market entry can risk Next PLC's both financial and operational viability in the Canadian market and this is why test and learn methodology is the most applicable approach for Next PLC (Sarasvathy, 2001).

Ansoff Matrix

This matrix helps to categorize various growth strategies by incorporating product-market dimensions (Zugay and Zakaria, 2023). Now, in the context of Next PLC's operations, in the Ansoff matrix, they represent the market development strategy as the company is trying to enter into a new market with its existing products. There are many reasons, too, which support the market development strategy for Next PLC. These strategies are as follows.

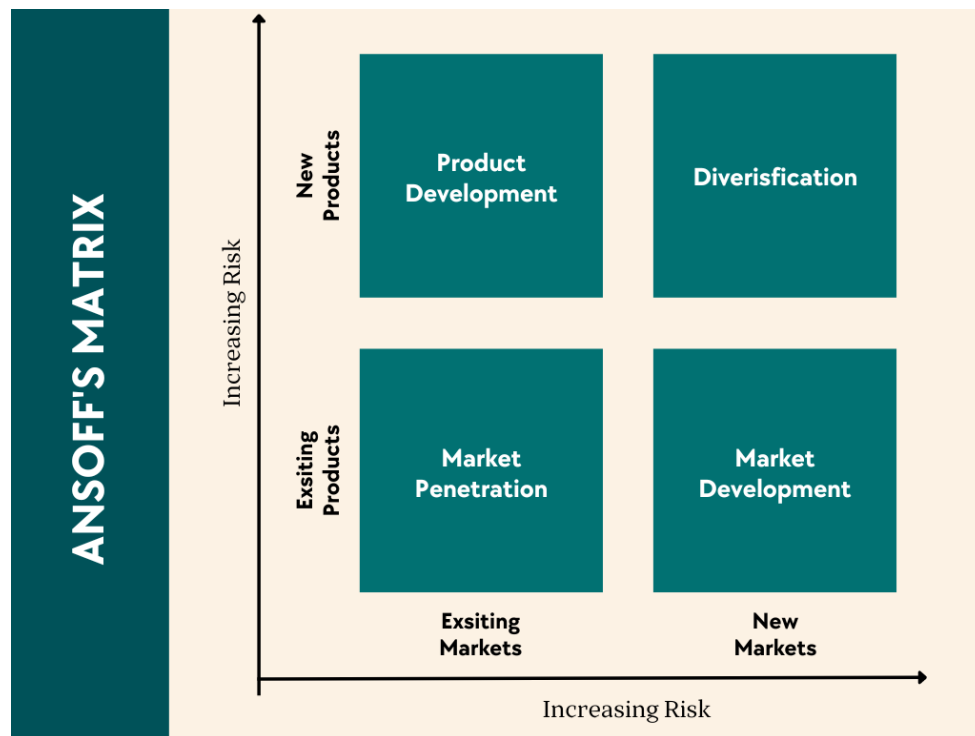


Figure 6: Ansoff Matrix Framework (VanZandt, 2023)

1. First of all, the company already has proven products which are in demand in the UK and other international markets. With extensive product line-ups including clothing, footwear, homeware and others, the company already serves diverse consumer segments.
2. Secondly, there are many cultural and consumer similarities between the UK and Canada such as comparable fashion consciousness of the targeted audience, appreciation for both quality as well as design, preference for premium in mid-pricing options etc.

In order to achieve effective market development, the case of Starbucks can be used in which the company expanded into China with over 6,500 stores through standardization of its products and services (Business Model Analyst, 2023). In order to succeed in the Canadian market, Next PLC must undertake effective market research so that it can understand the local consumer preferences properly and at the same time, bring adaptations to the products to cater towards localized demands.

Market Entry Mode

One of the crucial factors affecting the international success of a company is its market entry mode. For Next PLC's Canadian entry, using a hybrid strategy incorporating both e-commerce

operations and strategic partnerships in phases can ensure of long-term success for the company. These phases are outlined below.

Phase – 01: Initially, as the company has strong e-commerce operations and brand presence, it should enter the market by utilizing its direct-to-consumer operations through Next.ca. This will help the company to curtail its initial capital investments to set-up new stores in the market. In this same phase, the company will extensively focus on creating brand presence and create a geographic identification in the region to move onto the next phase.

Phase – 02: After having established extensive e-commerce operations and validating the Canadian market for feasibility, then the company should move forward with its physical retail presence in the market by setting up new stores in major cities including Toronto and Vancouver. By ensuring superior customer store experience and product collection, the company is to move to its next phase.

Phase – 03: In the last phase, the company will invest more capital to achieve organic growth in its expansionary plans and increase the number of stores in more regions across the country. By incorporating the partnership opportunities by strategically partnering up with Canadian departmental store operators, the company can achieve direct access to the vast market and make a mark for itself.

Porter's Generic Strategies

The generic strategies by Porter suggests three fundamental approaches including cost leadership, differentiation and focus (Tanwar, 2013). In the case of Next PLC's move to the Canadian market, the company must position itself in the market based on the differentiation strategy. This is because the company has to offer superior product design and quality alongside better customer services to access the market effectively.

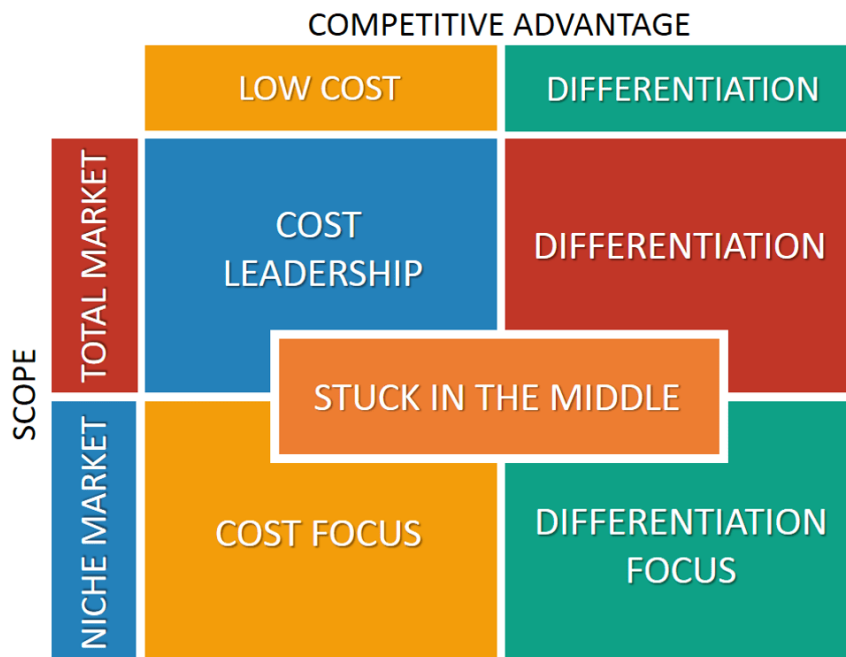


Figure 7: Porter's Generic Strategies Framework (de Bruin, 2021)

For Next PLC, it is important that the company opts for the differentiation strategy in multiple ways. Firstly, the company needs to ensure of product differentiation by incorporating contemporary design, superior quality and curated product ranges to attract the fashion-conscious consumers. As for service differentiation, the company must focus on providing superior customer service including trained staffs, personalized assistance for the customers and as such areas to ensure of the best possible store experience to add to the service differentiation of the company. Moreover, brand differentiation is another area where Next can differentiate itself by positioning the brand as an accessible premium one to bridge the gap between the mass market audience and the luxury market audience. Moreover, doing so will open the path to dominate the fast-fashion competitors such as H&M, Zara etc. Lastly, channel differentiation will enable the omnichannel integration of the company to integrate seamless customer journey and enable them to remain integrated through the unified customer service provided by Next PLC.

Ultimately, success based on differentiation for Next PLC now depends on several conditions including customers perceiving the brand's offering to exceed the costs they will be incurring and the premium it will be charging the customers over the fast-fashion brands must be justified. Again, differentiation needs to be sustainable for Next PLC to sustain its operations in the Canadian market. This is because if the company cannot continue its operations in the future because of unsustainable practices just for the sake of market entry and consolidation, the company will be out of the market very soon, as well. This is why the company needs to

target the middle-to-upper-income professionals and families with its portfolio of products and services and incorporate quality with its name.

VRIO Framework

The VRIO framework is a crucial framework to assess the sustainability of organizational resources to undertake initiatives to sustain competitive advantages (Knott, 2015). The VRIO framework is applied to Next PLC below.



Figure 8: VRIO Framework (Messineo, 2024)

Valuable Resources: Next PLC currently has many valuable resources to support its expansion into the Canadian market including its omnichannel capabilities, ability to create extensive customer value and its capacity to adapt to changing situations. With 44% of its sales being generated online, the company is already adept at utilizing the online space to exceed the traditional retailers (Next PLC, 2025). Moreover, the capabilities borne by the company can effectively enable product discovery to further strengthen its differentiation in the market.

Rare Resources: The integrated omnichannel platform of the company is one of the rare resources. Moreover, the Total Platform model to operate with multiple brands using shared infrastructure enables the company to maintain distinctiveness through its managerial expertise and single-brand competitors (Retail Insiders, 2025).

Imitable Resources: Some of the imitable resources possessed by Next PLC include the company's technology platforms, logistic capabilities and processes followed to lead its operations. Again, brand equity showcases the need of high imitation barriers to be posed. Under brand equity, the company has brand reputation, customer relationships as well as brand associations to ensure of consistent product quality.

Organisational Capability: In order to enhance organisational capability, it is important to have the capacity to leverage the valuable, rare and difficult-to-imitate resources. In this regard, leadership commitment from Next PLC can enable the international expansion to be successful and effective in the long-run (DCF Modeling, 2025). In this regard, organisational structure can play a key role. The company's Total Platform is an organisational model which can be geared towards its market expansion into the Canadian market, as well.

In surmise, Next PLC has all the necessary valuable and rare resources to commit to the Canadian market entry as denoted by the above VRIO analysis of the company, however, in order to sustain its operations in the relatively new market, it has to ensure of effective execution of strategies prescribed.

Strategy Implementation Components

To achieve sustainable and long-term success, it is important to have detailed planning across multiple organisational dimensions implemented. In this regard, the key implementation components to materialize the expansionary plan of Next PLC are outlined below.

Organisational Structure and Governance: By establishing Next Retail Canada Inc. as a wholly-owned subsidiary in the country with a dedicated management team, country manager and other personnel, Next PLC can effectively ensure of local autonomy while catering to corporate oversight in the new market.

Talent Acquisition and Development: In order to recruit executives required for the Canadian operations, developing local market knowledge, customer understanding and operational expertise is of much importance. By developing employee value proposition, the company can effectively attract talents in the long run and by offering necessary development opportunities to the employees, the company can retain them to achieve organisational goals and objectives.

Marketing and Brand Building: By allocating, at least, CAD \$15-20 million on marketing operations for the first three-years, the company can remain empowered to have created market presence in the market quite effectively through digital channels such as social media, influencer partnership, strategic PR such as fashion media, lifestyle publications and others. More importantly, Next PLC has to remain focused on developing localized contents to attract

mass audience efficiently and resonate with the targeted audience to build and maintain brand identity in the market.

Risk Analysis and Mitigation

Because of the nature of the operation, the expansionary plan to move to the Canadian market involves a lot of risks for Next PLC. These risks are discussed below alongside the possible mitigation strategies.

Market Risk of Lower-than-Anticipated Customer Demand: For this risk, using a phased market entry strategy will yield the most effective results for Next PLC. It will help the company to not commit significant amount of capital while getting ample time to carry out extensive pre-launch market research.

Competitive Risk of Aggressive Competitive Response from Incumbents: The only effective mitigation strategy for such a risk is to ensure of a differentiated positioning strategy to avoid getting into direct competition with the established brands. Rather, by focusing on underserved market segments or the more demanding ones, Next PLC can reduce its competitive risk.

Regulatory Risks of Compliance Failures, Regulatory Changes and Litigation: As such a risk is not controlled by one or two organisations, the strategy to overcome this risk is to undertake legal counsel with Canadian experts in order to develop compliance systems as well as sustainability reporting and disclosure management systems.

Section – 4: Performance Evaluation Framework

The Balanced Scorecard Framework

The Balanced Scorecard was developed by Kaplan and Norton in 1992. It helps to ensure of performance measurement system that translates the strategies into actionable objectives (Kaplan, 2009). The four perspectives shown by the balanced scorecard are financial, customer, internal processes and learning and growth factors. As for Next PLC's move into the Canadian market, the balanced scorecard framework is applied below.

Financial Perspective:

Strategic Objective – 01: Revenue Growth

- Measure: Annual revenue in CAD millions.
- Target: Year 1 – CAD \$10-15m; Year 3 – CAD \$40-50m; Year 5 – CAD \$100-150m.
- Initiative: Multi-channel customer acquisition and extensive market research and penetration.

Strategic Objective – 02: Profitability Achievement

- Measure: EBITDA margin.
- Target: Break-even by Year 3; 10-12% profitability by Year 5.
- Initiative: Increasing operational efficiency, achieving scale of economies.

Customer Perspective:

Strategic Objective: Customer Acquisition

- Measure: Active customers by identifying unique purchases in the last 12 months.
- Target: Year 1 – 50,000; Year 3 – 200,000; Year 5 – 400,000.
- Initiative: Implementing marketing campaigns, building brand awareness.

Internal Process Perspective:

Strategic Objective: Inventory Management

- Measure: Stock-out rate of the major products.
- Target: Greater than 3% consistently.
- Initiative: Forecasting demand of the products and optimizing safety stock.

Learning and Growth Perspective:

Strategic Objective: Employee Development

- Measure: Training hours spent on per employee in a year.
- Target: 40+ hours consistently.

- Initiative: Developing training programs and implementing skill development initiatives.

Triple Bottom Line Integration

The TBL by Elkington undertakes an extensive approach to expand performance measurement beyond traditional metrics in order to showcase the social and environmental dimensions (Arowoshegbe et al., 2016). For Next PLC's Canadian entry, the TBL applications are as follows.

People Dimension:

Strategic Objectives

- To ensure fair labour practices and implement ethicality in supply chain operations;
- To incorporate diversity, equity and inclusion in the Canadian workforce;
- To ensure of employee wellbeing and work-life balance.

Key Performance Indicators (Targets)

- % of suppliers meeting ethical standards: 100% by the end of Year 3;
- Employee satisfaction scores: 80% by the end of Year 3;
- Product safety incidents: Zero.

Initiatives

- Develop Supplier Code of Conduct through independent audits;
- Ensure of diverse recruitment as well as inclusive workplace policies;
- Mandate rigorous product testing for achieving targets.

Planet Dimension:

Strategic Objectives

- Reduce CO₂ emissions across all the areas of operations;
- Make sourcing sustainable and only incorporate responsible materials;
- Enhance energy efficiency in operations.

Key Performance Indicators

- Reduce Scope 1, 2 and 3 carbon emissions by 30% in Year 5 compared to baseline Year 1;
- Achieve 75% waste diversion rate from landfill by the end of Year 3;
- Target 100% use of renewable energy for the company's Canadian operations by the end of Year 4.

Initiatives

- Undertake programs to measure and curtail carbon footprint of the company;
- Programs such as take-back programs, product repair can facilitate recycling and circular economy initiatives;
- Design the stores energy-efficiently.

Profit Dimension:

Strategic Objectives

- Achieve profitable growth and create value for the company's shareholders;
- Incorporate innovation to add value to the company's competitiveness;
- Practice ethicality in company's business operations.

Key Performance Indicators

- Financial metrics as per the business scorecard;
- Distribute economic value in the form of taxes, wages, timely supplier payments etc.;
- Target 20% of local sourcing across all categories by Next PLC.

Initiatives

- Develop a sustainable business model for the Canadian market;
- Formulate a Canadian supplier development program;
- Implement ethical business practices and governance all across the company's operations.

Monitoring and Mechanisms of Governance

For effective performance monitoring, it is of much importance that strict governance be implemented. For the Canadian endeavor of Next PLC, the monitoring and governance framework will incorporate the following mechanisms.

Governance Structure: Next PLC will receive quarterly updates on its Canadian operations and the board will oversee the approval of necessary strategic decisions for enhancement of operations in the new market. At the same time, the executives of the company will be directly overseeing any and all performance reviews and bridge any and all performance gaps. Lastly, the Canadian management team will ensure of functional accountability in the new market.

Performance Review Cadence: Undertaking performance reviews at various intervals can facilitate accountability including monthly, quarterly and annual reviews. The various reviews will incorporate different strategies such as monthly reviews will supervise operational metrics

such as sales, traffic, conversion etc. while quarterly business reviews will be reviewing actual performance against set metrics and lastly, annual reviews will be more strategic.

Stakeholder Communication: Transparent communication with stakeholders leads to the building of trust and alignment of a company for which holding regular team meetings can lead to enhanced internal communicative systems. Again, using websites, social media, PR etc. to promote sustainability reporting, external communication can be ensured of.

Conclusion

In this strategic analysis of Next PLC, an elaborative and strategic expansion plan has been proposed to Next PLC make a move and expand into the Canadian retail sector. The reasonings included the attractiveness of the Canadian market with a CAD \$40.78 billion apparel market size alongside a growing market at around 10% growth rate. In this report, the strategic strengths of the company have been identified with its omnichannel excellence alongside its strong financial performance which are all advantageous for the company to make a move into the Canadian market. The major differentiation strategy of the company is its emphasis on its product quality as well as superior customer experience that it offers. Now, in this report, the possible phased market entry strategy for the company also has been prescribed that it can follow to set-up its operations in the country and sustain its long-standing international operations in the Canadian market, as well. Moreover, the risk factors have also been elaborated in this report to showcase that it will not be a very easy task for the company to achieve and complete which include competitive intensity, economic uncertainty and others. Ultimately, in conclusion, Next PLC has all the necessary strengths and justification to move into the Canadian market officially with its organisational capabilities and successfully defend its market presence in the market.

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