

Activity Synopsis

This case study compares two small UK clothing retailers — one that applied strategic management and one that did not. Students will evaluate how strategic thinking influenced each business's path.

Instructions for Pairs

1. Read the case study together.
2. Discuss how each business approached decision-making and growth.
3. Answer the questions using strategic management concepts.
4. Be ready to share your insights with the class.

In the town of Shrewsbury, two independent clothing retailers — **Thread & Co.** and **Urban Stitch** — opened within six months of each other. Both targeted young adults with affordable, stylish fashion and operated in high-footfall areas near the town centre. Despite their similarities in size, market, and product offering, their trajectories over the next three years were markedly different.

Thread & Co. began with a clear sense of direction. The founders conducted market research before launching, identifying gaps in the local fashion scene and preferences among university students and young professionals. They developed a brand identity focused on sustainability and local sourcing, and set measurable goals for growth. Their strategy included seasonal pop-up events, collaborations with local designers, and a loyalty programme to retain customers. They regularly reviewed performance data and adjusted their approach based on customer feedback and sales trends.

Urban Stitch, on the other hand, launched quickly with minimal planning. The owners relied on instinct and informal advice, assuming that demand would naturally follow. They stocked generic items from wholesale suppliers and made few changes to their product mix or marketing over time. Without a clear strategy or performance tracking, they struggled to respond to shifts in customer preferences and rising competition. After two years, footfall declined, and the business closed its doors.

Thread & Co. continues to thrive, having expanded to online sales and built a strong community presence. Their success highlights how strategic management — from analysis and planning to implementation and evaluation — can shape the long-term viability of a small business.

Comprehension Questions

1. What strategic management practices contributed to the success of Thread & Co., and how did these contrast with Urban Stitch's approach?
2. How might Urban Stitch have benefited from applying a structured strategic management process before and after launching?
3. In what ways does this case illustrate the link between strategic planning and adaptability in a competitive market?