

Primark case study

[Economics](#), [Trade](#)



For those of you not in the know, Primark is a department store chain that specialises in clothing for men, women and children/babies. They also include a home section and ladies... ahem... err... yes. Unmentionables, in other words. They have been operating for several years and they are currently buying out the Littlewoods stores, several of the best of which will be turned into Primarks and the rest sold for a tidy sum to other retailers. It's a good move that should see the chain expand its empire to reach more customers across the UK.

Primark specialise in low prices. Please note that when I say low, what I really mean is Incredibly Low. A ladies fashion belt for £2, a pair of mens fashion jeans for £8.... you're getting the idea. In order for Primark to make a decent enough profit after paying its work force and all its other expenses at these sorts of prices, it needs to sell sheer volume. Bulk sales, in more confined terms. In their method of bulk selling lie several advantages and several disadvantages but be well aware from the start that Primark is not about high price and top notch quality. It is about slightly low but still reasonable quality for a very very low price.

So what is Primark like as a store then? (I hear you ask). Well as aforementioned, Primark sell at low prices and therefore sell in bulk (do remember this point because it will be returned to later). The quality of their stock is by no means anywhere near the best on the high street. You will find better in Marks and Spencer, BHS or Debenhams for example, no question. However, it's not always all about quality - it's also about value and value is quality compared to price. This is where Primark swim into the lead. Their quality, while not being the best is still reasonable but their prices are simply

unbeatable. Nowhere else could you find cheaper socks, jeans, t-shirts, belts, pillows, bras... and so it goes on. To give you an idea, I bought a pair of brown bootcut cords and a thick winter top from Primark which formed a nice, slightly smart winter outfit for £16 (£8 per item).

Now that's good. The cords have a seam down the side which indicates lesser quality but the point is, they look good and they last easily long enough to merit the price ticket. BHS, on the other hand were selling a very similar jumper, only a bit better quality but for the princely sum of £12. Marks and Spencer did the same deal for £15. This is just on the jumper, do note - not the cords. This is where Primark come into their own you see because you don't need to shop around for the right price when you have one of their stores near you because you know they've won the battle before the first punch has been thrown.

When it comes to fashion, Primark aren't half bad. If you were 16 then you wouldn't necessarily boast to your piers that 65% of your wardrobe comes from the cheap as chips, dark blue and white themed chain store but then you wouldn't cringe at their more trendy offerings either.