

**JEAN GENIE**

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# Mc Jeans vies with digital disruption

## PITSINEE JITPLEECHEEP

SET-listed Mc Group Plc, the maker and marketer of Mc Jeans, is adjusting its strategy to deal with the threat of digital disruption.

Bundit Praditsuktavorn, the company's chief financial officer and head of business development, said the company is allocating 320 million baht this year to cope with rapid changes in customer shopping habits.

Of the total, 120 million baht will be spent on building the brand among existing customers and expanding the customer base.

The remaining 200 million baht is to open 40 new points of sale across the country and invest in an IT system to sustain long-term growth.

"Customers have low brand loyalty compared with the past. They

are ready to try new brands," Mr Bundit said. "There is equal opportunity to grab new customers and lose existing ones to other brands."

Sunee Seripanu, the company's chief executive, said the company will focus on expanding its distribution channel outside retail stores, seeking new customers.

For example, the company teamed up with Siam Global House, the construction materials chain, to open Mc Jeans pop-up stores at Global House branches in Mae Hong Son and Chiang Mai.

More stores are planned in Buri Ram and Nakhon Ratchasima.

"This is our new business model and it has performed quite well," Mrs Sunee said. "Although sales at the pop-up stores may not be on a par with regular retail stores, their operating costs are several times lower.

"More importantly, we can access new customer groups who have high spending power and like outdoor activities."

She said the company will also open small retail shops of 70-80 square metres to reach a wider base of customers.

Apart from Siam Global House, the company is in talks with several partners in new areas to open Mc stores that reach both domestic and international customers.

Mc Group is integrating its online and offline business to respond to and reach a wider range of customers as fast as possible, Mrs Sunee said.

The group wants to launch various products in response to customers' varying demand.

For the first time, Mc Jeans has started a collaboration brand with famous people in the hope of luring new customers.

"It is tough to do business amid digital disruption. Our challenge is the younger generation," Mrs Sunee said. "As the middle class increases, some of the successful strategies we applied in the past no longer draw their interest and convince them to buy our products. We have to think out of the box and reverse strategies."

Using those strategies, the company expects to increase its revenue by 5% to 4.2 billion baht by the end of this year.

Mrs Sunee said Thailand's jeans market is stable at 20 billion baht a year.

She proposed that the new government speed up stimulus for domestic consumption, building up consumer confidence and investment.

**Mrs Sunee and Mr Bundit say the key is wooing the younger generation.**

