

Reading the Customer Right

Effective managers work continuously to better understand the preferences of the consumers who buy the goods sold by their firms. The following excerpt from *Fortune* reveals how knowledge of consumer preferences has allowed The GAP, a highly successful apparel retailer, to reach the large baby-boomer market.

The GAP, an apparel specialty store, “has floated above the general misery in retailing by offering reasonably priced casual clothing that doesn’t go out of style in a season but changes enough to keep shoppers interested.” According to the president of The GAP, Millard “Micky” Drexler, “We just keep trying to figure out what people wear on a regular

basis. Our business is reading signals from the customer day in and day out.” . . . Drexler likes to boast that anybody can wear The GAP’s clothes. . . “Baby boomers can no longer squeeze into the slim-cut jeans they wore to Woodstock. But they still want jeans.”

Because The GAP’s customers’ lifestyles are changing, the retailer has opened 213 children’s apparel stores. The bottom line for The GAP is to know your customers and provide what they want.

Source: Susan Caminiti, “The GAP Reading the Customer Right,” *Fortune*, December 2, 1991, p. 106. © 1991 Time Inc. All rights reserved.