

Sears, Other American Store Chains Are Downsizing

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Well known businesses across the United States are facing hard decisions about keeping their stores open.

Experts say Americans are changing the way they buy clothing and other products. They say people are making more purchases over the Internet and looking for better **shopping** experiences.

After years of falling sales, **department** store **chains**, like Sears, Kmart and Macy's, are closing stores around the country. So are Abercrombie and Fitch, JCPenney and other businesses.

In February, Sears announced plans to close 150 stores it owns in the United States. That number includes more than 100 Kmart stores. The company recently said it is not sure about keeping its remaining stores open.

The Sears name remains well known

Sears was established in 1893 as Sears, Roebuck & Co. It offered a **catalogue** that became famous all over the U.S. Americans could choose from a large number of goods pictured in the book. Shoppers would send their orders to Sears and receive products in the mail, even if they lived far from a big city.

Denise Lee Yohn wrote a book called, "What Great **Brands** Do." She told VOA's Victor Beattie that department stores have faced a difficult time in recent years because of competition from internet businesses.

"The department store category, on the whole, has been declining, even as online sales and Amazon specifically has been on the rise."

But she added that Sears has a long history and a name that is still recognizable to many Americans.

Sears has struggled under ownership by Eddie Lampert, who operates a **hedge fund**. The company has had to sell some of its best-known brands, including Land's End clothing and Craftsman tools.

Lee Yohn said the company did not do enough to develop its online business. Sears also did not invest in the appearance of their stores, she added.

However, she thinks companies like Sears can come back to life. She said car maker Ford is an example of a company that was able to revive its business.

The company also must show its employees they are valued as a way to improve **customer** service. Otherwise, she said, Sears may not survive.

Sears is not the only nationwide business closing stores.



FILE - In this Friday, Nov. 27, 2015, file photo, shoppers carry bags as they cross a pedestrian walkway near Macy's in Herald Square, in New York.

Macy's Incorporated has said in recent months that it plans to close more than 60 Macy's department stores. The move could affect thousands of jobs.

Some business experts believe the future of **retail** sales will be different from what traditional department stores have had to offer.

Are stores outdated?

Last month, the financial research company Synchrony Financial released a report about changes in the retail sales industry.

The report said that there will likely be department stores in the future, but just not as many as there used to be. It also said stores should seek to provide more reasons for shoppers to visit.

"People are social by nature and will be drawn to gathering places to share ideas and be entertained," the report noted. "It's not just about making money. It's about building trust. Retailers who tap into this **trend** will be rewarded."

The report pointed to some new ideas linked to the future of shopping. These include stores where people shop and pay for products by themselves, so called do-it-yourself shopping.

Synchrony Financial also said that shoppers will expect stores to use their personal information to "deliver better customized products and offers."

Many experts say stores need to better use technology in order to interest their customers.



An Anthropologie store window is shown, Tuesday, April 5, 2016, in New York. (AP Photo/Mark Lennihan)

Not all retail stores are cutting back. One example is Urban Outfitters, a company that operates about 200 stores under its own name and also the name Anthropologie. Urban Outfitters says it plans to open 15 stores across the country. The company, based in Philadelphia, Pennsylvania, has not had sharp losses reported by other retail stores.

And online seller Amazon recently started to open its own stores in U.S. cities. The company that changed the way people bought things online hopes to do the same with stores focused on its own line of products.

I'm Mario Ritter.

Mario Ritter wrote this report for VOA Learning English. His story was based on information from VOA's Victor Beattie and stories from The Guardian, Reuters and the Associated Press. George Grow was the editor.

Words in This Story

brand –*n.* a group of products made by a specific company under a specific name

customer –*n.* someone who buys goods and services

trend –*n.* the general direction of change

hedge fund –*n.* an investment group that takes financial risks in order to get high returns

retail –*adj.* related to the business of selling products directly to customers