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The Kmart brand that's about to go global

By Emma Koehn | 08 March, 2023



Kmart is taking its cult-favourite home-brand product range Anko global, starting with a launch in Canada this month as the discount department store signs up partnerships with international retailers.

Kmart Group managing director Ian Bailey said wholesale partnerships were the best way for the retailer to get Anko products out in the global market, rather than it setting up bricks-and-mortar stores.

“Our product has got to a level where we think it’s now globally competitive,” Bailey said after a Melbourne Fashion Festival event on Tuesday, noting that Kmart was already talking to retailers in Europe, Africa, Asia and the US about selling Anko products into their stores.

“Canada is number one, our product goes live with [our partner] retailer at the end of this month.”

Bailey said Kmart was taking a “pragmatic” approach to the international opportunity and was confident its budget homewares range would capture shoppers beyond Australia.

“When we have been around the world, and we’ve looked at our products, we would say when we look things like home [goods] – the quality, the style, and the price we think is globally competitive. If you look at our toys, you would say that’s the same,” Bailey said.

Kmart's own-brand products have gained traction over the past few years thanks in large part to Instagram and TikTok, where enthusiastic shoppers routinely share their favourite picks and show how these are styled in their homes.

Kmart's official Instagram account has 1.2 million followers.

Bailey said the enthusiasm for the brand on social media was a reminder of the company's core focus.

"It's fascinating to see the emotion that comes through and how it makes people feel," he said.

"When you're running a business there are a lot of things to do – just having that refresher that what you do means something to people is actually really helpful."

Kmart Group, which includes fellow Wesfarmers-owned discount department store Target, increased its revenue for the six months to December by 24.1 per cent to \$5.7 billion.

Kmart's move comes as major listed retailers report customers are changing their spending as they absorb 10 consecutive interest rate rises.

Department stores have stayed resilient despite cost-of-living pressures, with turnover up 8.8 per cent between December 2022 and January 2023, according to Australian Bureau of Statistics retail figures.

Bailey said lower-income customers would struggle during this period, and the brand was focused on providing value for them.

"Equally, you are going to have some middle- and higher-income customers that are going to choose to shop in Kmart a little more often," he said.