

Zellers is back with the grand opening of 12 stores this Thursday — here's where they are and what to expect

By Ghada Alsharif Business Reporter | 21 March 2023



The highly anticipated revival of beloved Canadian department store chain Zellers is finally here after a decade-long hiatus.

This Thursday, Hudson's Bay is opening the first 12 Zellers locations inside their existing stores in Ontario and Alberta. The concept of the locations is a store within a store, taking up anywhere from 8,000 to 10,000 square feet. In total, there are 25 Zellers locations planned for Hudson's Bay stores across Canada.

While no downtown Toronto destination has been announced, three Zellers stores will be located within Hudson's Bay locations around the GTA at the Scarborough Town Centre, Burlington Mall and Erin Mills Town Centre.

The long-dormant discount brand — shuttered by HBC in 2013 — appears to be leveraging nostalgia to lure customers who fondly remember the Zellers red-and-white signage and old their catchphrase, “the lowest price is law.”

A three-minute video captioned “Better than I remember,” posted on the retailer’s Instagram account featuring a dancing man gives shoppers a sneak peek into what they can expect: well organized aisles with clean, simple signage featuring the Zellers red-and-white.

According to a [Hudson’s Bay](#) statement, Zellers will carry products across several lifestyle categories including kitchen and bath, furniture, home decor, organization and storage, baby and kids toys and apparel, pets, and clothing for men and women

Hudson’s Bay told the Star that customers can expect the majority of products to be under Zellers’ new private label Anko and that prices will be competitive against other value retailers. Other national brands will also be sold in stores including Disney, Crayola, Mattel.

While there’s buzz ahead of the reopening, especially among shoppers who remember the store’s ’90s heyday, retail experts say that tugging on the nostalgia heart strings of customers may not be enough for the retailer to succeed.

“Consumers will feel a nice nostalgic buzz when they see it,” says retail analyst Bruce Winder. “But once that subsides, they might realize that it’s not the same Zellers that it was ten years ago.”

Industry analyst Lisa Hutcheson said that while getting customers to yearn for the past might get them in the door over the next few months, success will be determined by the products offered and how competitive its prices are.

The stores will “have a hard time getting over the initial buzz,” Winder says. “Zellers sort of went away for ten years and when they woke up the world was very different. It’s a lot more competitive now.”

Indeed, the discount retail sector in the country is already competitive. Dollarama has more than 1,400 stores across Canada, Walmart has more than 400 and e-commerce giant Amazon offers same-day shipping to cities including Toronto and Vancouver. Meanwhile, Winners and Ikea already have discount furniture and home decor covered.

And recent retail closures highlight challenges retailers face in the sector. [Bed Bath & Beyond](#) last month announced that it was closing all of its Canadian stores, and in early March [Nordstrom](#) followed suit by announcing that it will close its six Canadian locations and seven Nordstrom Rack shops, which sell designer goods at discount prices.

“Zellers needs to show how they are going to stand out from competitors,” Hutcheson said. “What is going to be the draw long term?”

She added that Zellers will debut a new e-commerce site, also launching March 23, she says is a positive move for the retailer.

But ultimately it's the shoppers in-store experience that will keep them coming back in-person — and Hutcheson is optimistic.

“It's really good timing because of the state of the economy and customers are looking for low price and value. If the product reflects that then it's certainly is going to keep the customer interested.”