Marketing Doctor

Marketing Check-up

Hudson’s Bay

As of July 8, 2025

Condition: Deceased

The stripes outlived the stores

Hudson’s Bay called itself the oldest company in North America, with roots going back to 1670. Its multicoloured stripes were one of Canada’s most recognized brand symbols. On June 1, 2025, its last stores closed. This check-up looks at how the department store lost its reason to visit, why its own stores were starved and why its name and stripes still drew a buyer as the lights went out.

Key takeaways

- Analysts said shoppers no longer had “a compelling reason to come into a Hudson’s Bay store.” Discounters took the low end and brands like Aritzia and Sephora set the standard at the top.
- The company said its focus on e-commerce “led to underinvestment in physical stores,” and sales fell by more than 30% year over year.
- A decade of ownership deals focused on property and acquisitions, not on the shop floor.
- Canadian Tire bought the name, coat of arms and stripes for about $30 million, proof that distinctive brand assets can outlive the business that built them.

Marketing health check

Area	Finding
Reason to visit	Gone. Discounters took value shoppers, specialty brands set the in-store standard.
Stores	Underfunded while e-commerce got the investment.
Downtown flagships	Hit hardest by lower office and commuter traffic.
Focus	Property and deals over the shop floor.
Distinctive assets	Valuable. The stripes and coat of arms sold for about $30 million.

Timeline

When	What happened
1670	The company's roots begin.
2008	Richard Baker's NRDC Equity Partners buys Hudson's Bay Company.
2013 to 2015	It buys Saks and Germany's Galeria Kaufhof.
2020	The company goes private.
2021 to 2022	About $130 million goes into e-commerce.
Mar 7, 2025	Hudson's Bay files for creditor protection with 96 stores.
Mar 24, 2025	Liquidation sales begin.
Jun 1, 2025	The last stores close.
Jun 3, 2025	A court approves the sale of the name, coat of arms and stripes to Canadian Tire.

What happened: no reason to come in

On March 7, 2025, Hudson's Bay filed for creditor protection with 96 stores in Canada. It blamed subdued spending, trade tensions and lower downtown traffic after the pandemic. Analysts pointed to something deeper. Western University's Jamie Hyodo said the Bay "lost both the low end and upper end of their clientele." Lisa Hutcheson of J.C. Williams Group said "there wasn't a compelling reason to come into a Hudson's Bay store anymore."

The company's own filing explained part of it. Between 2021 and 2022 it put about $130 million into e-commerce, and "the focus on e-commerce led to underinvestment in physical stores." Sales still fell by more than 30% year over year.

The diagnosis: squeezed from both ends

- **Lost the value shopper.** Winners and Marshalls offered brands at lower prices.
- **Lost the experience shopper.** Aritzia and Sephora set the in-store standard, and luxury brands sold direct. A department store sells the reason to browse many categories under one roof. Underfunded stores took that reason away.
- **A positioning failure before a finance failure.** No one could say who the Bay was for anymore.
- **Owners focused elsewhere.** A decade of deals, from Saks to Galeria Kaufhof to Neiman Marcus, put attention on property and acquisitions rather than the shop floor. Every store was leased, and the business carried heavy mortgage debt.

The treatment it needed

Hudson's Bay needed to choose its customer and price point, fund the stores those customers would visit and give them something to discover in person. A regular competitor analysis would have shown who was taking the low end and the high end years before the filing. Real estate and financing should have supported the brand, not replaced it as the plan.

The result: the stores closed, the stripes survived

Liquidation began on March 24, and the last stores closed to the public on June 1. More than 8.2 million Canadians still held unused loyalty points, a sign of how many people the brand had once reached.

Canadian Tire agreed to buy the Hudson's Bay name, The Bay name, the coat of arms and the stripes for about $30 million, and a court approved the sale on June 3. These are distinctive brand assets: memories a new owner can use without the old costs.

Lessons for your marketing

1. Fund the experience customers touch before the projects investors like.
2. Know which customers you serve and at what price. A brand squeezed from both ends needs to choose.
3. Use competitor analysis to see who is taking your low end and your high end.
4. Treat real estate and financing as support for the brand, never as the plan.
5. Protect your distinctive assets. They can hold value long after the business is gone.

The doctor will see you now.

Book a free marketing check-up at marketingdoctor.ca/contact. We'll examine your marketing, show you what's holding growth back and prescribe what to fix first.

Sources

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