Marketing Doctor

Marketing Check-up

# Target Canada

As of November 25, 2025

Condition: Deceased

## 133 stores, empty shelves

Target arrived in Canada in March 2013 with something most new entrants would envy: millions of Canadians already knew and liked it from shopping trips across the border. Less than two years later it announced its exit. This check-up looks at how that reputation worked against it, why the shelves were empty and what the episode teaches any company entering a new market.

### Key takeaways

- Many Canadians knew Target from cross-border trips, so they walked in with a clear picture of its value. They found higher prices and missing products instead.
- Target opened 124 stores in its first year. Its systems, suppliers and staff couldn't keep up, so errors were repeated at national scale.
- An internal team estimated product data was accurate only about 30% of the time. Shelves ran empty while distribution centres were full.
- Target announced its exit in January 2015, closing 133 stores and putting about 17,600 people out of work.

## Marketing health check

| Area | Finding |
|---|---|
| **Brand expectations** | High. Shoppers knew Target from U.S. trips. |
| **In-stock** | Poor. Thin shelves while warehouses were full. |
| **Prices** | Higher than shoppers expected. |
| **Rollout** | Too fast. 124 stores in under a year. |
| **Data** | Weak. Product data accurate about 30% of the time. |

## Timeline

| When | What happened |
|---|---|
| **Jan 2011** | Target agrees to take over leases on up to 220 Zellers stores. |
| **Mar 5, 2013** | The first three Target Canada stores open in Ontario. |
| **End of 2013** | 124 stores and three distribution centres are open. |
| **Q4 2013** | Target says it is clearing excess Canadian inventory. |
| **May 2014** | Target's CEO is ousted after a data breach; Target Canada's president leaves. |
| **Jun 2014** | Target Canada posts an apology video on YouTube. |
| **Jan 15, 2015** | Target announces its exit from Canada. |
| **Apr 12, 2015** | The last Target Canada stores close. |

## What happened: a famous brand, empty shelves

In January 2011 Target agreed to take over the leases on up to 220 Zellers stores. The deal gave it a national footprint in one move, and a timetable the rest of the business had to meet. The first three stores opened on March 5, 2013. By the end of the year there were 124 Canadian stores.

Shoppers met bare shelves. An internal team estimated that product information in the new system was accurate about 30% of the time, against 98% to 99% in the U.S. As Canadian Business put it, "even as consumers encountered barely stocked stores, Target's distribution centres were bursting with products."

## The diagnosis: the reputation worked against it

- **Expectations set elsewhere.** Many Canadians knew Target from cross-border trips, so they walked in with a clear picture of its value proposition. CBC News reported that shoppers found higher prices and a lack of the products they wanted instead.
- **Scale before readiness.** Target opened stores faster than its systems, suppliers and staff could support. A sound go-to-market strategy sequences entry: prove the model in one region, fix what breaks, then expand.
- **First impressions stick.** A disappointing first visit to a famous brand is remembered as a broken promise, not a teething problem.
- **Leadership changed mid-recovery.** After a U.S. data breach, Target's CEO was ousted in May 2014 and Target Canada's president left two weeks later.

## The treatment it tried

In June 2014 Target Canada posted an apology video on YouTube. A senior executive said in it: "Maybe we didn't put our best foot forward when we entered into Canada." The apology was honest, but it couldn't restock the shelves. The new CEO reviewed the business and said Target was "unable to find a realistic scenario that would get Target Canada to profitability until at least 2021."

## The result: out in under two years

On January 15, 2015, Target announced it would leave Canada, closing 133 stores and putting about 17,600 people out of work. The last stores closed on April 12, 2015. Target recorded US$5.1 billion in charges for the exit.

## Lessons for your marketing

1. A known brand gives you awareness on day one. It also gives customers a standard to judge you by.
2. Find out what customers already expect from your name in a new market, and make sure you can deliver it before you open.
3. Open fewer locations, measure, fix, then grow.
4. Treat in-stock and data quality as marketing. Empty shelves say more than any ad.
5. Be clear about which customers you are for before you announce an opening date.

## 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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This check-up uses public information available on November 25, 2025. It is marketing analysis, not investment advice.
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