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Marketing Strategy - Paper #1

28 January 2024

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Marketing Myopia is a slippery slope for many companies that need help understanding their customers' primary wants and needs. Unfortunately, this has led to the downfall of many companies that were once household names. A prime example of a company that has suffered from Marketing Myopia is the once great toy center of the world, Toys “R” Us. Due to poor management, an outdated business model, and outdated products, the company was never able to recover and ultimately went bankrupt.

Toys “R” Us’s management and employees were a huge reason as to why the company would eventually go bankrupt. Toys “R” Us was the pinnacle of the toy industry for decades, and this mindset left employees and management very narrow-minded in the way that they thought their company was untouchable. From an outside perspective, one may have the same thoughts that a company like Toys “R” Us could never be touched, however, as the management team or marketing team of a company, this type of mindset can be very detrimental. Additionally, employees and management in Toys “R” Us ignored the warning signs of their demise. According to an article by Medium, “store employees manipulated customer surveys which served as an important performance metric to the retailer’s home office” (Medium). The article goes on to mention that employees did this to either save their jobs or just because of sheer ignorance. Poor management structure, accountability, and bad communication are all to blame which starts with the people who are in charge. The article also states that “Trust goes both ways and when it is lost, it has the power to shut businesses down” which was very true in this case. These management issues can also be characterized as Management Myopia, but overall add to the broader marketing issues of Marketing Myopia that I will continue to discuss.

Toys “R” Us’s business model was centered around making an experience for its consumers along with in-person retail. This issue came when Toys “R” Us cut costs and got rid of its big attractions such as "...various themed zones such as an amusement arcade, Barbie (with a life-size dreamhouse), electronics, Jurassic Park (with an animatronic T-Rex), Lego, Wonka, and the signature indoor Ferris wheel" (Medium). This took away the experience that many people wanted to enjoy when going into a Toys "R" Us and made it no different from any other retail store. This problem got even worse when e-commerce took off, and Toys "R" Us didn't keep up with the program. Toys "R" Us had to compete with companies like Amazon, which had a much superior system and software compared to Toys "R" Us's e-commerce system. This was the killing blow to Toys "R" Us as they had no way to compete with Amazon and companies similar to it.

Additionally, Toys "R" Us's focus on toys also led to their downfall. As ironic as that may sound, as technology has gotten more advanced, kid's interests have pivoted. According to Wharton marketing professor Denise Dahlhoff, "It has been a weaker category [toys]; there hasn't been much growth…Kids are interacting more digitally, so there's just not as much demand" (Kahn). Marketers are putting effort into digital products for kids rather than physical toys, leaving Toys "R" Us in the dust of companies like Amazon, Walmart, and Target that have adapted to the times. Instead of an industry leader, Toys "R" Us turned itself into a forgotten relic.

Toys "R" Us could've avoided their fate in my opinion, but it all starts with better management. Toys "R" Us's lack of structure and awareness for areas that they struggled in is what led to their demise. They could've integrated into e-commerce or made their in-person experience better so that more people would want to visit their stores. Instead of focusing more on that industry, they chose to focus on the toy and clothing retail industry, which was clearly the wrong decision in the end.

Works Cited

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