Finding Opportunity Where Others Don't

Redefining market potential through customer understanding



Jennifer Morra

Vice President of Retail, Reitmans Canada Limited

EA CONNECT 2026

AGENDA

What We'll Cover

01 **Who are We**
Reitmans Canada Limited & PENN.

02 **The Business Challenge**
A customer who doesn't fit the average profile

03 **The EA Approach**
Segmentation, Health Data & The Where to Go

04 **The Outcome**
Markets Validated, Real Estate Risk Avoided

05 **Lessons Learned**
and What's Next for PENN.

Who We Are – PENN.

A Century of Canadian Fashion

Founded in Montreal in 1926 · publicly traded since 1947 · close to 400 stores across Canada



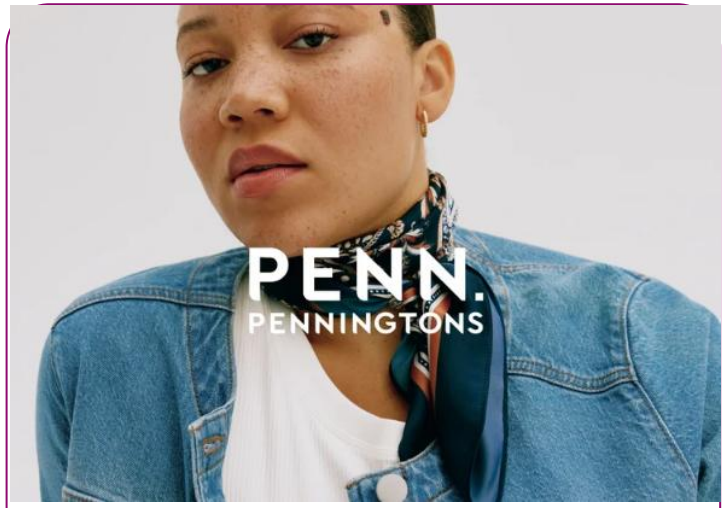
REITMANS

Everyday women's fashion essentials, in market since the brand's founding.



RW&CO

Fashion-forward apparel for work and life, for men and women.



PENN.

PENNINGTONS

Formerly Penningtons — Canada's destination for plus-size fashion, sizes 14–32, and the focus of today's story.

THE BRAND

Fashion for the Extended Aisle

A specific clientele — not the average retail shopper.

PENN. stores serve the extended-aisle customer with locations in most primary markets across Canada. The usual market-selection playbook, built around average demographics, misses where PENN.'s real opportunity sits.



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The Business Challenge

THE CHALLENGE

Traditional Metrics Weren't Built for PENN.'s Customer

01

The Ask

Identify net-new markets, and existing markets where multiple stores are sustainable.

Marketing Potential
Existing Store Growth Opportunity

Above Average TG penetration
+ Below-Average Customer penetration

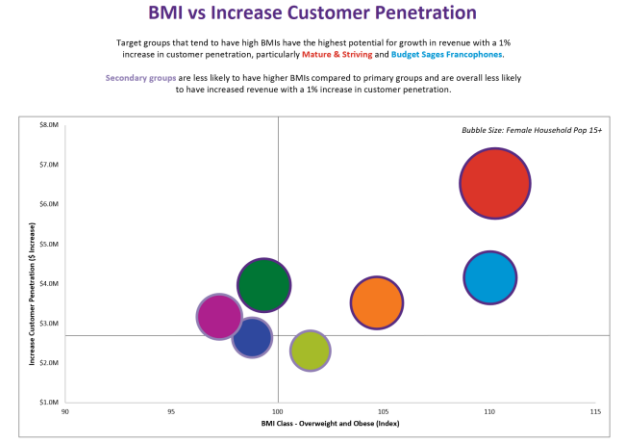
Real Estate Potential
New Store Opportunity Markets

Above Average TG penetration
+ Above Average Customer penetration

02

The Real Driver

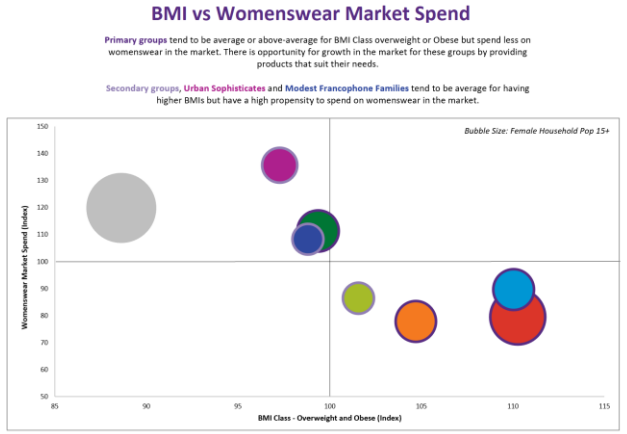
The BMI profile of PENN.'s customer base — not just age or income — is the biggest factor in store location.



03

The Fix

Penetration — not average demographics — is what assesses market opportunity and growth.



PENN.
PENNINGTONS

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THE CHALLENGE

Five Questions Standing Between PENN. and Its Next Store

01

Who represents PENN.'s best opportunity audience?

02

Where can PENN. find this opportunity audience?

03

Where are the highest-potential markets for net-new stores?

04

Where are existing markets that are under-penetrated?

05

How can PENN. shape marketing and real estate decisions around its core customer?

The Environics Analytics Approach

THE APPROACH

Combining Transactions, Geography and Behaviour

STEP 1

PENN. Transactional Data

Identify the target audience using key variables aligned to brand objectives and priorities.

TOTAL RECORDS

5,001,005

SALES DATA RANGE

Dec 2021 – Dec 2023

→

STEP 2

Market Demographics (PRIZM)

Connect to PRIZM and cluster individual segments into actionable target groups.

PRIZM

DemoStats

CommunityHealth

HouseholdSpend

Opticks powered by Numeris

→

STEP 3

Market Behaviours

Build a rich understanding of target audiences to sharpen targeting and creative.

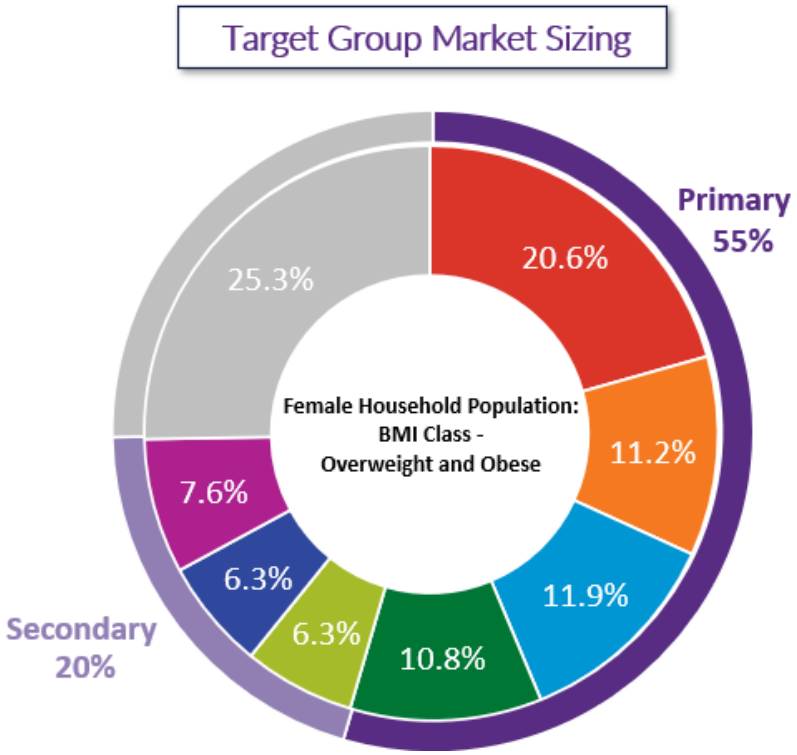
- Household disposable income
- BMI class
- Expenditure on women's clothing
- Life stage, gender by age, income

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THE APPROACH

Seven Groups, Three That Matter Most



PRIMARY TARGET GROUPS

- **TG 1**
- **TG 2**
- **TG 3**

SECONDARY GROUPS

- TG 4
- TG 5
- TG 6
- TG 7

Primary groups represent 67% of PENN. sales, 55% of the female high-BMI population, and 47% of total womenswear spend in Canada.

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THE APPROACH

Who Is She?







- Middle-income households
- Empty-nest to young families
- Blue- to white-collar, by market
- Mid-size & suburban markets
- Predominantly English-speaking
- Reached via TV, radio, magazine, daily newspaper

"Not the biggest spender on womenswear overall — but she over-indexes for spending with PENN."

Practicality, price and brand authenticity drive her purchase decisions.

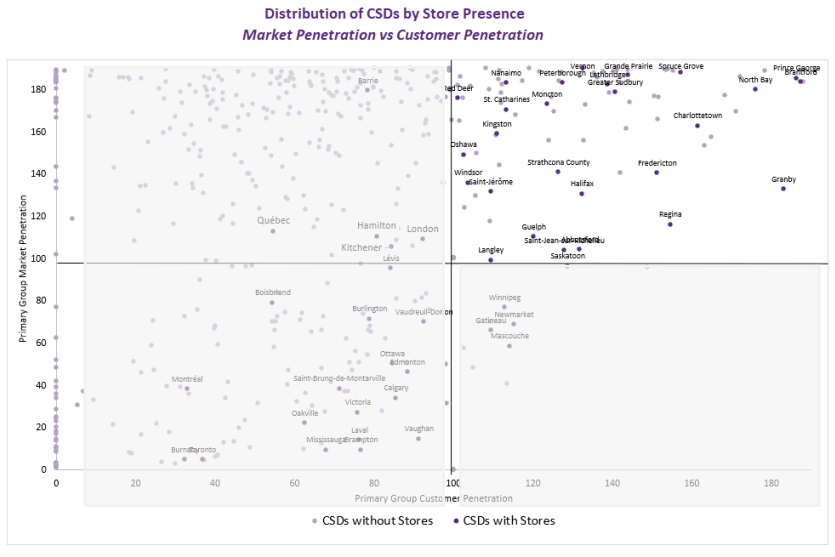
THE APPROACH

Two Kinds of Opportunity, One Scoring Model

REAL ESTATE POTENTIAL

New Store Opportunity Markets

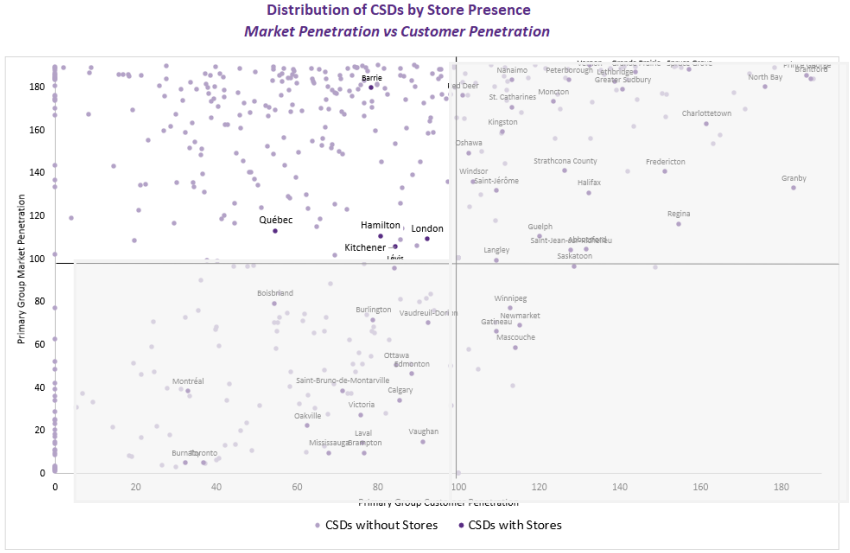
Above Average TG penetration
+ Above Average Customer penetration



MARKETING POTENTIAL

Existing Store Growth Opportunity

Above Average TG penetration
+ Below-Average Customer penetration



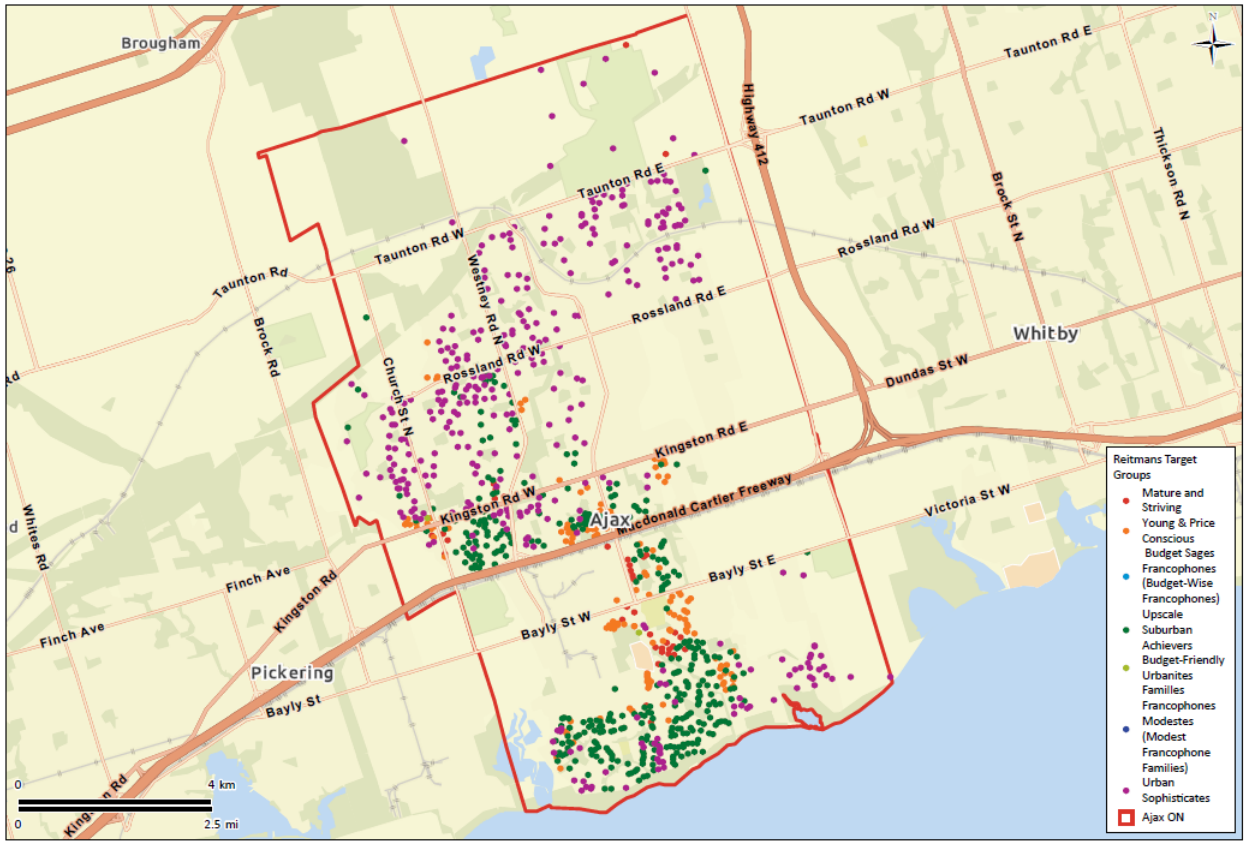
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The Outcome

THE OUTCOME — LISTENING TO THE DATA

Spotlight: Ajax, ON

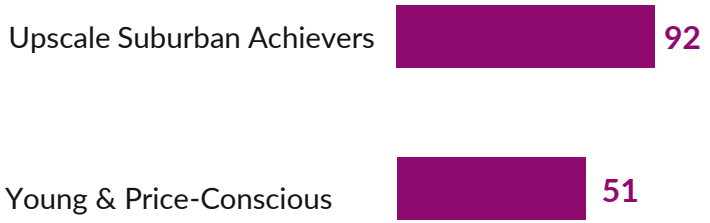


MARKETING POTENTIAL

Below-average target-group penetration,

Area Score: 68

PRIMARY GROUP MARKET PRESENCE (INDEX VS. NATIONAL)



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THE RESULTS

Confidence to Act on Real Estate and Marketing Decisions

01

A single “average consumer” metric hides real opportunity — BMI and health indicators surfaced a customer traditional demographics missed.

02

Segmentation is only useful when it's actionable — target groups had to map to real marketing and assortment decisions.

03

Market potential needs two lenses — real estate and marketing opportunity call for different signals and different plays.

04

CSD-level scoring turns broad insight into a market-by-market business case teams can act on.

Lessons Learned

What's Next for PENN.

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WHAT'S NEXT

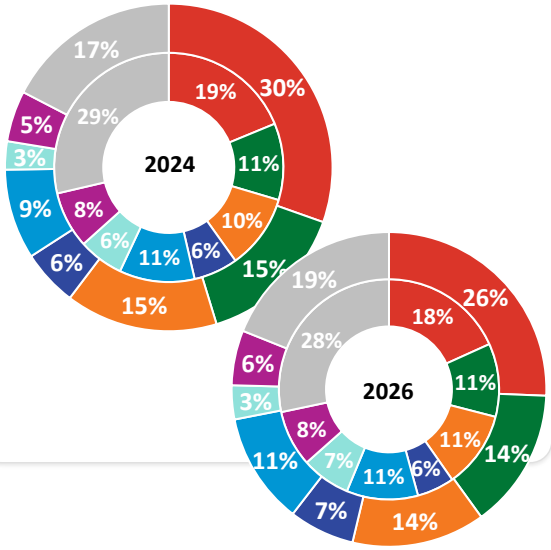
Refreshing the Segmentation, Prioritizing Malls

As PENN's customer base evolves and its strategy shifts toward malls, PENN returned to EA to validate its segmentation against fresh data.

01

Validate & Refresh

Confirm Phase One's target groups hold against updated data.



02

Prioritize Malls

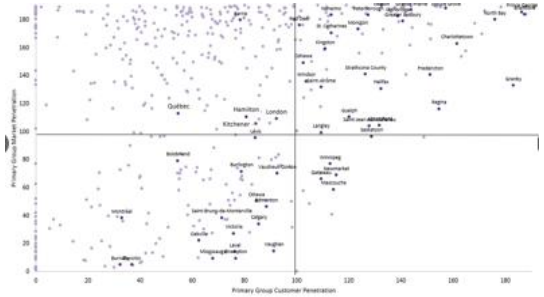
Quantify target-group concentration across mall trade areas.



03

Locate the Opportunity

Separate underperformance from markets with no real demand.



04

Sharpen Competitive View

Benchmark against key apparel players and mass extended-size entrants.

Current Penetration:
3.1%

\+ 173.6K customers

+ $$$$M

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Thank you.



Jennifer Morra
Vice President of Retail, Reitmans Canada Limited
jmorra@penningtons.com