

# Management Update

Report: Leo D'Angelo Fisher

## Online retailer has a message for economists

If imitation is the sincerest form of flattery, National Australia Bank will be delighted with a media release issued by online electronics retailer Kogan.

Company founder Ruslan Kogan has issued a release announcing "Kogan's divorce from traditional retail, citing irreconcilable differences". Earlier this year NAB ran full-page newspaper ads featuring a "Dear John" letter addressed to its three rivals in which it said it no longer wanted to be associated with other big four banks. "It's over between us . . . we've just grown apart," the letter said. In his media release, Kogan says he

does not want his business associated with traditional rivals and the retail downturn, noting that online retail is booming. "Why do economists assume that online retail and traditional retail are married, grouping them together under the one family? [W]e want a divorce!" Kogan says it was not his intention to mimic NAB's campaign. "We are doing this to raise a serious issue with the way economists are looking at retail in this country," he says. "It's time economists . . . stop grouping online retailers like Kogan with the traditional retailers who are slowing down."