Brand Doctor

Brand Check-up

Target

As of June 24, 2025

Status: Bleeding

Target is bleeding: comparable sales and traffic fell in early 2025, and the company named the reaction to its January DEI changes among the quarter's headwinds.

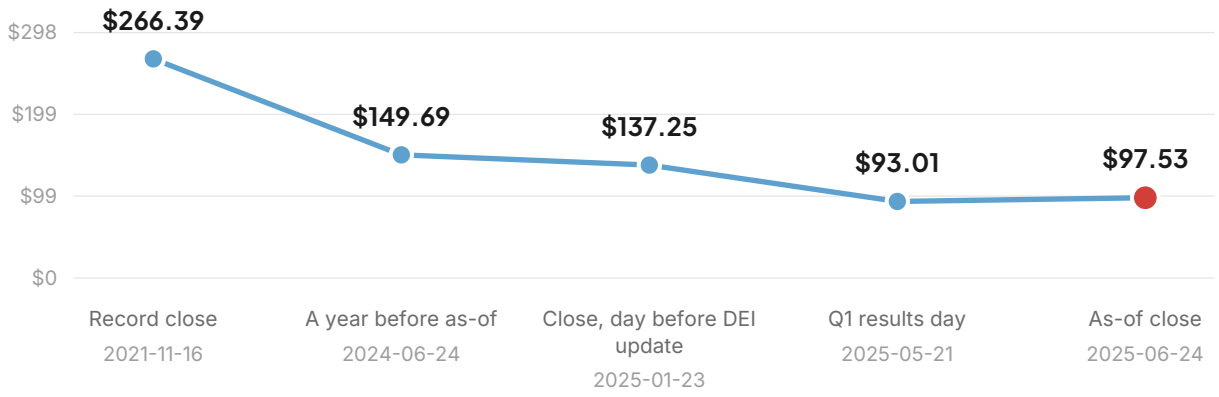
About this check-up

Brand Doctor reviews well-known brands the way we review a client's marketing: symptoms, diagnosis, treatment. This check-up uses public information available on June 24, 2025. It is brand and marketing analysis, not investment advice. Sources are listed at the end.

Vital signs

Share price

USD, at the dates shown [14, 15, 11, 12, 13, 10]



Share price

$97.53

NYSE: TGT close, June 24, 2025 [10]

Change over one year

Down 34.8%

From $149.69 close on June 24, 2024; 63.4% below the $266.39 record close of Nov. 16, 2021 [10, 11, 14, 15]

Net sales, 2024

$106.6 billion

Fiscal 2024, down 0.8%; comparable sales up 0.1% [2]

Comparable sales, Q1 2025

Down 3.8%

Stores down 5.7%, digital up 4.7%; quarter reported May 21, 2025 [1]

Transactions, Q1 2025

Down 2.4%

Average ticket down 1.4% [1]

Stores

1,978

As of February 1, 2025 [2]

Timeline

2021-11 Target shares close at a record $266.39 on November 16. [14, 15]

2023-05 Target removes some Pride Month merchandise, citing threats to staff safety; the Human Rights Campaign asks it to put the products back. [8]

2023-08 Second-quarter comparable sales fall 5.4%, the first quarterly sales decline in six years; executives cite economic pressures and a strong reaction to the Pride assortment. [9]

2025-01 On January 24, Target says it will conclude its DEI goals, end a program set up in 2020 and stop taking part in external surveys such as the Human Rights Campaign's index. [3]

2025-03 On March 4, Target reports 2024 net sales of $106.6 billion, guides to about 1% growth for 2025 and notes a small decline in February net sales. [2]

2025-03 The Rev. Jamal Bryant starts a 40-day boycott of Target on March 5, Ash Wednesday. [6]

2025-04 On April 8, the Minnesota Star Tribune reports Placer.ai data showing Target's foot traffic down 9% year over year in February and 6.5% in March. [16]

2025-04 CEO Brian Cornell plans to meet the Rev. Al Sharpton in New York in the week of April 17. [6]

2025-04 On Easter Sunday, Bryant says the fast is now a full boycott, with about 200,000 sign-ups. [7]

2025-05 On May 21, Target reports first-quarter comparable sales down 3.8%, cuts its 2025 outlook and sets up an office led by COO Michael Fiddelke to speed decisions. [1, 4]

Symptoms

- Comparable sales down 3.8% in the first quarter of 2025, with stores down 5.7%.
- Transactions down 2.4% and average ticket down 1.4% in the same quarter.

- 2025 outlook cut from about 1% net sales growth to a low-single-digit decline.
- Store foot traffic down 9% year over year in February 2025 and 6.5% in March, according to Placer.ai data.
- Shares at $97.53 on June 24, 2025, down 34.8% from a year earlier.

Diagnosis

1 A public commitment changed in public

In 2020, after George Floyd's killing, Target set up a program to support Black employees, shoppers and Black-owned businesses. On January 24, 2025, it said it would end that program and conclude its DEI goals, and some customers responded with boycotts, including a 40-day boycott that began on March 5. [3, 6]

2 Pressure from both directions

In May 2023, Target removed some Pride merchandise citing threats to staff safety, and the Human Rights Campaign asked it to put the products back. Second-quarter 2023 comparable sales fell 5.4%, and executives cited economic pressures and a strong reaction to the Pride assortment. In 2025 the objections came from customers opposed to the DEI changes. [8, 9, 4]

3 Store traffic is the weak point

Transactions fell 2.4% in the first quarter of 2025, and Placer.ai data showed store foot traffic down 9% year over year in February and 6.5% in March. Store comparable sales fell 5.7% while digital rose 4.7%. Cornell said: “We've got to drive traffic back into our stores or visits to our site.” [1, 16, 4]

Diagnosis, continued

4 A discretionary mix in a cautious market

The AP noted that groceries make up less than a quarter of Target's sales, so it depends more on discretionary items such as clothing. Cornell cited five straight months of declining consumer confidence and tariff uncertainty alongside the reaction to the January changes, and Target said it could not reliably estimate how much each factor contributed. [4, 5]

Prognosis

As of June 24, 2025, Target expects 2025 sales to fall by a low-single-digit percentage. It has set up an office led by COO Michael Fiddelke to speed decisions, and its chief strategy and growth officer is stepping down. Bryant has called for the boycott to continue. Target says it expects to offset most tariff costs, partly by shifting sourcing. We will watch three things: whether transactions return to growth, whether store comparable sales close the gap with digital, and whether Target reaches an understanding with the groups leading the boycott.

Treatment

- Give shoppers reasons to visit again, with clear prices and new products in discretionary categories such as clothing.
- State in plain terms which community and supplier commitments remain in place, and report progress on a set schedule.
- Keep talking with community leaders who raised objections, as Cornell planned to do with the Rev. Al Sharpton in April, and brief store teams before each public statement.
- Track transactions weekly by region and customer group, so the effects of the boycott, tariffs and consumer confidence can be told apart.

Lessons for growing companies

A public pledge is a brand promise

Commitments made in public become part of what customers think you stand for. Before you make one, decide whether you will keep it when conditions change.

Map stakeholders before you change course

List the customers, employees, suppliers and partners who relied on a commitment, and tell them first, in plain terms, before any change goes public.

Watch weekly traffic, not quarterly totals

Quarterly results arrive late and mix several causes. Weekly traffic by region and customer group shows where a reaction is hitting while you can still respond.

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About Brand Doctor

Brand Doctor is a marketing strategy consultancy founded by Cliff K. F. Lin. He has spent 17 years in marketing and managed more than $30 million in spend for SaaS, tech and lead-generation companies.

A Brand Check-up applies the method we use with clients to a well-known brand: the symptoms you can see from outside, the root causes behind them, and the treatment we would prescribe. For your own company, we look at six areas (positioning, messaging, customer journey, channel mix, budget and spend, and measurement) and rank what to fix first.

$30M+	135+	8×	17
In marketing spend managed	Campaigns treated	Growth achieved	Years in marketing

Find out where your marketing is bleeding.

Brand Doctor runs the same check-up on your marketing. Book a free diagnosis at brandmd.ca/contact.

Book your free diagnosis