

## **PROBLEM**

Fashion enthusiasts are constantly gathering and saving style inspiration outside of stores, but it's hard to keep a user engaged with a store between shopping trips, especially when we want to drive traffic into a physical location.

## SEARCH CAPABILITIES

Many shoppers have an idea in mind for what they're looking for but have no way to search inventory by image.

#### **TACTILITY**

Online shopping vs. real life

#### PRIVACY ISSUES

Nordstrom has previously done a semi behind the scenes campaign to gather data about their in-store shoppers through tracking their wifi signals, but it gave customers the creeps.

#### TIME LOSS

Store clerks can typically only help one customer at a time.

#### DISORGANIZED

Dressing rooms can often have long lines and be messy. It's hard for store clerks to keep track of their customers.

## SOLUTION

Stores like Nordstrom have a worldwide reach with physical stores across the United States and carry a wide array of brands and styles. What if they had the ability to instantly compare and match their inventory to a user's saved style images and compile similar, custom looks for the user with the store's merchandise?

Users would be able to gather style inspiration between store visits by taking pictures, screenshots, or linking their Pinterest boards to their app.

With location based technology, users would be able to check into Nordstrom when they enter the store and have instant access to Nordstrom's inventory and browse suggested items and looks that are similar to the looks they've saved. If a user is interested in checking out an item, they can easily find the location of the item in the store through the app.

If a user wants to try on an item, they can request to have items "pulled" for them to try on in the dressing room.

If a user decides to purchase items, they can do so seamlessly through their app.





## **SOLUTION THEORY**

By allowing users to quickly communicate with store clerks from their phone, it saves time for both the shopper and the worker.

Store clerks will be able to quickly go down the pull lists of several customers at a time.

Once items are pulled for a customer, the store clerk can alert the customer to come and try on their items at a specific dressing room.

Having this communication and information allows store clerks to keep track of where multiple customers are in the dressing room at any given time.

It also allows store clerks to know what each customer is trying on, so they can quickly check in on them about a particular item, pull different sizes as necessary, or suggest other similar items.



## S.W.O.T.

#### **STRENGTHS**

Optimizes customer and store clerk time, without completely eliminating their contact.

Allows users to do inventory searching by their own image, instead of through the store's categorization.

Enhances the ability for the clerk to help multiple customers at a time.

Users can be totally independent in browsing and locating items they want with minimal person to person contact if desired.

Minimizes dressing room crowding and lines.

Customers opt in to use the app.

#### WEAKNESSES

Some customers may want to just have an in-store shopping experience and not want to be looking between their phone and the store.

Would require additional software training and general adaptation for store clerks and management.

Not all people who would want to use this sort of technology would have access to a physical Nordstrom store.

Not all people have access to a smart phone.

## S.W.O.T.

#### **OPPORTUNITY**

Through this app, Nordstrom could also allow for location-based deals to be unlocked for users who go deeper into the store, driving shoppers to certain areas of the store in search for a deal.

NFC could allow users to know if it's a high traffic time to shop so they would know when optimal times for shopping were.

If Nordstrom really wanted to go nuts, they could have a kind of "VIP lounge" (for lack of a better comparison), which would be unlocked when customers with the app were near the VIP room. This back room could offer pre-season deals or unique access to limited edition items.

#### THREATS

If users have looks pulled and then never go in to try on their items, it will waste the store clerk's time and could cause clutter in the dressing rooms.

If store clerks and management is unable to properly prepare and train for the new technology involved in this app, there could be serious let downs for customers.

Users may have an unrealistic expectation of what Nordstrom has to offer based on the looks they've saved--suggestions may be too dissimilar or have a price point they didn't expect.

## **COMPETITIVE ANALYSIS**

## TAG POINTS

#### WHAT IT IS...

A white-labeled app that allows companies and brands to innovate in "real time" marketing in with the customer base using location based technology.

Recognizes customers in-store by using targeted proximity notifications.

Sends targeted, micro-located based notifications. Has been successful in measuring the amount of user engagement, providing lots of feedback for the brand.



#### FALLS SHORT...

Is typically used for campaign based projects AKA months of work and marketing for a single day event.

Is mostly reward unlocking for customers--not much other engagement outside of that.

Again, doesn't communicate with in-store clerks to clue them in on what's going on with their customers at the time of the event.

## COMPETITIVE ANALYSIS

## **TAPESTRY**

#### WHAT IT IS...

Allows users to collect and curate items from the store onto their mobile app.

Gathers content sent to users with rewards and offers.

Allows users to review, share, or buy items from their phone.

Users can scan bar codes to save items they like.

Allows users to tell retailer that they like an item and want to buy it. User will then get a link to the online retail to purchase later.

#### FALLS SHORT...

Users must scan each item they want to find info on and cannot compare curated looks from outside the store to the inventory within the store.

The app does not suggest items and looks for the user or allow users to request items in store.

Doesn't communicate with in-store clerks to clue them in on what's going on with their customers. All communication with the retailers is as if you're shopping online.

This model is really for a store that is essentially a showroom. Made for shoppers to try on clothes and then purchase online.

## **COMPETITIVE ANALYSIS**

## NORDSTROM RACK APP

#### WHAT IT IS...

Store locater allows shoppers to look up Nordstrom Rack locations.

Message inbox allows users to receive Nordstrom Rack "insider information".

Users can look up inventory and availability of items they find in the store by scanning the item's bar code.

The "Just off the Truck" feature allows users to stay up to date on recent item releases. Users can browse what's just off the truck by store, brand, and style.

Provides "inspired finds" for users to browse.

#### FALLS SHORT...

Store locater is kind of blah...most likely users already either have an app that will tell them the location of any store.

Users can't upload their own inspired finds.

Users have to have the item in hand to scan a bar code in order to get info on an item.

There is no preloaded and updated inventory to browse what's in the store through the app--only new inventory that is just off the truck.

Yet again, no ability to communicate with store clerks through the app. No ability to have items pulled to try on in the dressing room.

You can search by brand, but not by image.



## TARGET MARKET

## WOMEN

Nordstrom's target market overall is women, as there are 20 distinct departments solely for women.

## SOCIO-ECONOMIC RANGE

With tailored departments having different price points, Nordstrom aims to satisfy the needs of a range of socio-economic backgrounds, though their less expensive offerings are still nowhere near as low as say a department store like Target.

# TOP 3 COMPETITORS

Their top 3 competitors are Neiman Marcus, Inc., Sacks & Company, and Bloomingdales, Inc.

#### LUXURY

With such competitors and price points, it is maintained that Nordstrom still falls under the category of a luxury retailer, targeting middle to upper class shoppers.

## INITIAL PERSONAS

#### IMAGE SEARCHER

While out and about, a user spots a pair of boots on someone sitting near them at a cafe. They snap a picture of the boots and save them to be compared to Nordstrom merchandise later.

The next visit they make to Nordstrom, their app is instantly launched through NFC. Nordstrom's app suggests some boots and other items to the user, which are based off of the images the user had previously provided.

#### ITEM PULLER

This user's journey begins by entering Nordstrom and browsing merchandise on their phone. They have a list of items they request to have pulled for the dressing room. The user is alerted when their items are ready and are given the location of the dressing room they are assigned.

#### IN-STORE ITEM LOCATOR

While browsing through suggested items in the Nordstrom app, the user finds several items they are interested in. While they're not quite sure if they want to try on these items yet, they do want to check them out in person. This users is able to use the app to locate the physical item's location in the store.

## WHY NORDSTROM?

"An unerring eye for what's next in fashion. A relentless drive to exceed expectations. For more than 100 years, Nordstrom has worked to deliver the best possible shopping experience, helping customers possess style—not just buy fashion."

## HISTORY

Started in Seattle in 1901, Nordstrom is now in its fourth generation of family owned and operated business.

The first location was opened with \$13,000 and has now a multi-billion dollar company, grossing \$10.5 billion in 2011.

#### ACCESSIBILITY

Nordstrom has over 117 full line stores in 36 states across America.

Most Nordstrom's can be found in largest metropolitan areas.

Typically, Nordstrom's are connected to malls, pulling new potential shoppers in from other destinations in proximity.

The company plans to open three more full-line stores in 2014, with its first ever Manhattan location slated to open 2018.

## Women's clothing sales in the US - Why invest in clothing retail?

#### TOTAL SALES

**\$151.3 billion** accounted for in women's clothing sales 2013

Sales expected to grow by 19% between 2013-2018, reaching \$180.4 billion

#### **POPULATION - 5 YEARS**

Female population (ages 18+) expected to grow in the US by 4% in the next 5 years

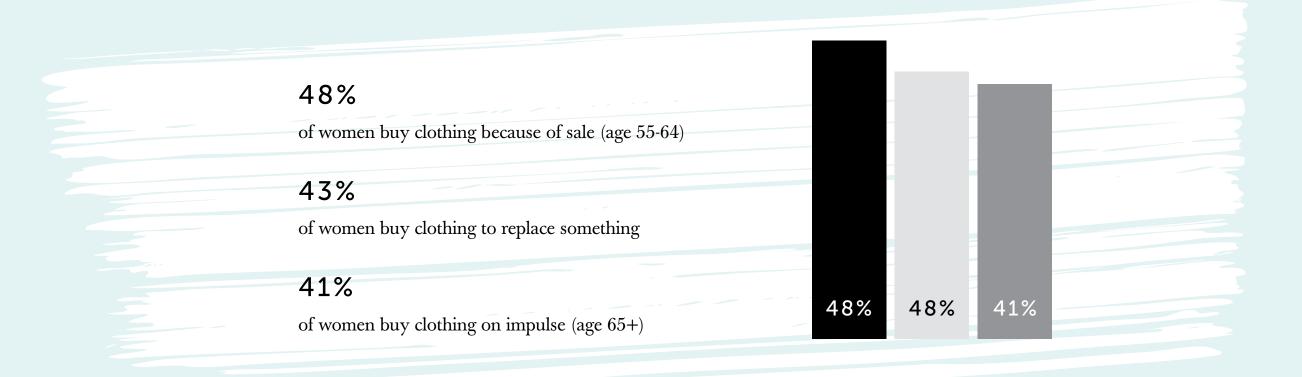
The number of women ages 25-35 expected to grow by 6%

8% increase women ages 55-64 21% increase in women ages 65-74

Female Hispanic population expected to grow by 13.2%



## Women's clothing sales in the US - Why do women shop?



## Women's clothing sales in the US - Why do younger women shop?

#### TRENDS

Most people would assume younger women would account for a majority of impulse shopping, however impulse shopping is found more in women ages 65+

Research has shown that young women (age 18-24) are more concerned with updated their wardrobe, likely seeking the latest fashions

Young women are also more likely to purchase an item after seeing someone wearing something they like

#### DIRECT QUOTE

"An opportunity to reach this group and take advantage of this behavior is to offer a smartphone app that allows a consumer to take a photo of someone's outfit and then find retailers where each item is sold. Young women are likely to own smartphones and have the inclination to shop based on someone else's style; therefore, apps that facilitate shopping will likely be well-received in this age group."

Women aged 18-24 and 25-34 are most likely to be sought for fashion advice, with 18% of women in each group saying they look to other for fashion advice.



Women's clothing sales in the US - Why do affluent women shop?

#### HIGHEST INCOME

Those with highest household incomes \$150K+ are most likely to buy on impulse

## HIGH INCOME

Nearly half or more of women earning \$75K+ are most likely to buy clothes because of a sale, compared to 36% of those with lowest household incomes

## RECENT INITIATIVES

## Curalate and Nordstrom launch Like2Buy platform

#### FIRST OF ITS KIND

Nordstrom is the first retailer to implement Like2Buy; however, the platform is available to other retailers.

#### SOCIAL ASPECT

Visual marketing platform Curalate partnered with Nordstrom to launch Like2Buy, a platform that enables customers to shop using Instagram.

The platform links items on Nordstrom's Instagram profile to the appropriate Nordstrom e-commerce page. Customers who follow these links are able to purchase the items viewed.

## **PERSONA**

#### IMAGE SEARCHER



NAME: Raye

AGE: 28

OCCUPATION:

Style Vlogger

LOCATION: Seattle, WA

Raye is an up and coming fashion and style vlogger based in Seattle. She began her career as a YouTube vlogger and has recently taken off in the vlogging community. Though a majority of Raye's income is generated from YouTube, more and more of her income is generated by brand sponsorships and features in other fashion blogs and vlogs.

Due to the nature of her work, her personal style must be cutting edge in order for her to stay relevant in a quick paced and sometimes unforgiving industry. Raye is constantly collecting style inspiration at any given time, in any given place, and has a surplus of items she is looking for at all times.

Raye links her fashion-inspired Pinterest board to her Nordstrom App and uploads pictures she takes of inspired looks to the app as well. When it comes time for her to go shopping, she is able to instantly compare Nordstrom's inventory to the looks she's been collecting between shopping visits to the store.

## PERSONA

#### ITEM LOCATOR



NAME: Sivan

AGE: 35

OCCUPATION:

Graphic Designer

LOCATION:

Santa Monica, CA

Sivan is a graphic designer based in Santa Monica, CA. As a designer, she's an incredibly visual person and the way she presents herself is important to her.

Growing up in greater Los Angeles, area, Sivan has always been highly aware of the ever evolving fashion scene and various trends. Sivan's mother used to take her shopping at Nordstrom when Sivan was a young girl and both of them have fond memories and positive associations with the brand that have been reinforced over the years.

Sivan typically goes shopping alone on her lunch breaks and enjoys listening to music or podcasts on her smartphone while she browses. Because of this, she rarely communicates with store clerks and enjoys keeping to herself.

Upon entering Nordstrom, Sivan is able to quickly browse new items, deals, and any other inventory by style or brand on her smartphone. Because she's on her lunch break and enjoys keeping to herself, she uses the Nordstrom App to save time by selecting items she wishes to see and locating them through the app.

## **PERSONA**

#### ITEM PULLER



NAME: Stephanie

**AGE**: 21

OCCUPATION:

Student

LOCATION:

San Francisco, CA

Stephanie is a student at the American College of Traditional Chinese Medicine in San Francisco. She works part time as a personal assistant for extra money when she's not studying.

Even though Stephanie loves to shop, she's often on a tight budget. She is a generally conscientious shopper and typically needs to be very sure of an item before purchasing.

While Stephanie will sometimes browse Nordstrom online, she will almost always go into the store in order to try the item on first so she can check the fit and purchase in-store in order to avoid the shipping and return fees that are generally associated with online shopping.

When Stephanie enters Nordstrom, she searches for items in the Nordstrom app that she's saved from her online browsing and immediately requests her favorite items to be pulled for her to try on in the fitting room. She browses around as she waits for her items to be pulled and gets an alert on her iPhone when her items are ready for her to try on in the dressing room.

## PERSONA FLOWS

#### IMAGE SEARCHER

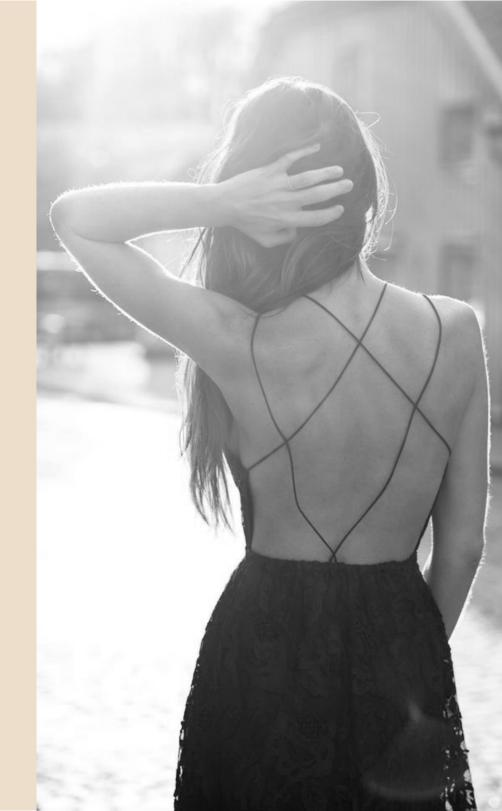
Saves and gathers images outside of store » Goes to store » Searches inventory by saved images » Views recommended items based on saved images

#### ITEM LOCATOR

Goes to store » Browses current inventory in App » Locates physical items in store through App

#### ITEM PULLER

Browses inventory online from home, saves liked items » Goes to store » Opens saved items » "Pulls" items through app » Is alerted when items are ready » Goes to dressing room to try on





## UPDATED QUESTIONNAIRE

Age

Gender

City

Occupation

How frequently do you shop for clothing for yourself?

Once a week

Every other week

Once a month

Every other month

Rarely

Other

Do you ever shop for clothing on your phone?

Yes, frequently

No, rarely

Never

Other

Do you shop for clothing mostly online or in the store?

Online

In store

Both equally

Other

When you shop for clothing, do you typically have something in mind that you're looking for? Please explain.

Are you more likely to shop for clothes if you know about deals in advance?

Very likely

Likely

Not likely

Do you keep a Pinterest board for fashion?

Yes

No

Do you typically need to try on clothing before you purchase?

Yes

No

Sometimes, depends on the item

Other

Do you ever have trouble locating items you're looking for when you're clothes shopping in-store?

Would you consider yourself an "impulse shopper"?

Do you follow any fashion blogs/vlogs?

Yes

No

Other

## QUESTIONNAIRE DATA

## AGE RANGE

21 - 62 years old

#### **GENDER**

97% female 3% male

# EVER SHOP FOR CLOTHES ON YOUR PHONE?

15% said frequently26% said rarely52% said never

# NEED TO TRY ON CLOTHES FIRST?

36% said yes 47% said sometimes 10% said no

## HOW FREQUENTLY DO YOU SHOP FOR CLOTHES?

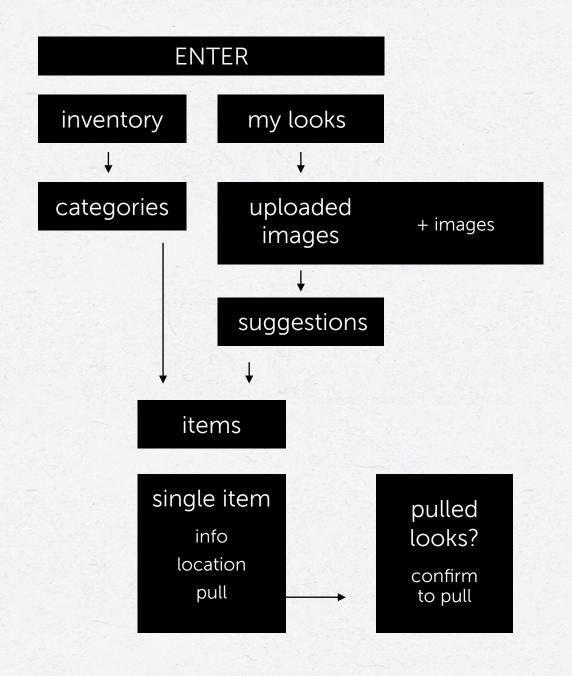
Less than 1% shop every week 32% shop every other week 21% shop once a month 26% said they rarely shop



## WIREFRAMES

## **FUNCTIONS:**

Browse inventory Search by image Locate items Pull items



## REBRANDING PROCESS

## WORD LIST

fun classic innovative

effortless chic polished

inspiring fresh powerful

supportive happy enthusiastic

customized energized transformative

stylish clean creative

fashion cutting edge trend-setting

elegant on-the-go engaging

current modern tailored

updated beautifying high end

reliable helpful appealing

## REBRANDING PROCESS

## **MOODBOARD - BRAND**











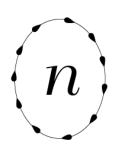




## REBRANDING PROCESS

## LOGO PLAY





nORDSTROM



NORDSTROM

## THANK YOU!

