NORDSTROM

Dissecting Disruption

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Disruption is (still) a popular buzzword in just about every industry, but that doesn't mean it shouldn't be taken seriously. Fortunately for us, the <u>NRE Foundation</u> recognized our SVP of customer experience Shea Jensen as a top disruptor for 2019, so we sat down with her to talk through what she is seeing across the industry and how Nordstrom is positioned to serve customers on their terms.

From your point of view, what is disrupting retail the most? How are you preparing for that?

It's not one big thing, it's actually so many things. I think the pace of change is disrupting the industry the most and because of this, it's difficult to predict the future. Therefore, I believe the most important thing that retailers can do is stay hyper-focused on the customer, understand their needs and focus on how to meet those needs in an increasingly digital world.

One way we try and stay ahead is to leverage data to better understand our customers so we can create a more personalized experience. Data also enhances predictive capabilities like the ability to anticipate what inventory will be available for a customer in a particular market like we're doing in Los Angeles.

With all the changes and disruptions in technology and the industry, have you seen anything remain constant that is critical to success?

Customer centricity is paramount. It can be super easy to chase a bottom line outcome or a new shiny experience that is new to the market just because it seems exciting, but if it doesn't match back to a customer use case and isn't something that will delight them, then we won't do it. We aren't focused on being first to market with some new wild experience – we're centered on winning with the customer.

What makes your work unique?

We test things to ensure they are right for the customer and are working hard to move with speed. But overall, we concentrate on what we want to accomplish because we always prioritize our efforts around the customer. For example, we put all our energy last year in L.A. to deeply understand what the customers wanted to see.

We gained some incredible insights from our time in L.A., largely because we were hyper-focused on that one market instead of eight at a time and included our customers along this journey. Much of our learning can be attributed to the incredible programs we launched, like Project 18, a group of 800 of some of our most engaged customers in the L.A. market that did everything from participating in building features and testing services, programs, products and more.

What are you most excited about for the next six months?

I'm excited to build on and scale our work from 2018 - especially as we continue to grow in NYC. We're looking forward to delivering new and differentiated

experiences across our channels, evolve our capabilities in how we serve customers on their terms and differentiate ourselves in the ever-changing marketplace.