

# NORDSTROM

## The Evolving Customer Playbook

October 12, 2020

Our VP of Creative, Red Godfrey, recently participated in the Fast Company Innovation Festival where she was asked about the way the customer playbook and how our approach to marketing has evolved during a time of such rapid change. Below are some highlights of her remarks.

### How are you able to take care of your employees while they're taking care of customers?

Our customers and employees are all living and impacted by this current environment. In the last six months, it feels like it's been crisis on crisis, and everyone handles this differently. You've got parents at home trying to take care of their kids while on business calls and then you have people who live alone that are literally isolated. So, we became focused on how we can show up for our employees and support each other. It's hard because you can't just pop into someone's office anymore, so we've set up things like virtual open office hours and virtual happy hours to keep people connected. The positives are we have come together more, and there's a surprising intimacy in being on video calls when you literally are in each other's homes.

We also put some things in place to try to help, them out like meeting blocks to free people up to take care of their personal affairs and we started what we call "courageous conversations" through our employee resource groups. These were safe spaces where people could share their experiences to help each other really understand and find support. Those were also helpful for us as an employer to hear those tough situations that our people have and are going through. It's a time when you have to determine what kind of brand you want to be and to stand up and hold true to your values.

### How have you been maintaining that same level of engagement with your customers during this time?

It's certainly a balance. Our customers absolutely want convenience that often comes through the speed and ease that technology can provide, but they also want connection. At Nordstrom, we bring those two together. We can serve you completely contactless and low touch —you can buy online, we can ship it straight to you, it's easy to return, and we can send styling recommendations to your home through Trunk Club. We can also be incredibly high touch —we can help you to understand how certain brands fit, what your best size is and how something can complement what you already have in your wardrobe.

It's a balance of providing options of low-touch and high-touch. It's a balance of using human beings with digital enablement. And of course, if you do choose to do any of this in our stores, we have the safety measures that allow you to come in and enjoy the same experience in an environment that helps keep our customers and employees safe.

Also, engagement doesn't even have to be just about our products —engagement extends beyond products to content, we posted a video of our chef walking through one of the favorite recipes from our restaurant and it ended up being one of our most popular posts.

### How has your approach to design changed and how might it be impacted moving forward?

It all goes back to customer centricity and how they want to be served. In some ways you need to simplify your messaging and design because people are inundated with so much information today. The customer has a choice to engage with you or not. For example, we've been doing online order pickup for a while, but it takes the right, simple message to show that in a clear consistent way. At the same time, we want to be able to tell an emotional story with our services which is a lot trickier. Delivering not just the 'what or how a service works' but why it would matter to a customer. It all boils down to understanding when to showcase that human connection versus showing something quick and simple. The sense of discovery is also something we're passionate about at Nordstrom, and that certainly tends to fall into the human connection side so we're continuing to amplify that.

Our approach to our brand has also changed quite a bit. In a prior world, you might want to almost police your brand. Now, it's not just the creative team putting out content but so are customers and potentially all our employees, and that's a really exciting new frontier. We've started playing to that by delivering resources our employees can use to create their own content. For example, when designing for our Anniversary Sale in August, we put out tools, images and stickers for employees to leverage. Not only is it fun to do but also it keeps a thread running through while keeping individual authenticity.

We have a reputation that's all about service. A lot of times, people think about service as that high-touch individual in the store that goes the extra mile. Today, it's those same people who are turning to digital tools to continue to engage and serve customers.

### Can you tell us about your new campaign, Closer to You?

Our Nordstrom market strategy is all about having the product you want, in the place you want, served in the way you want. For example: you can get same day pick up or alterations and styling to perfect the way you want to wear it. This campaign translates that strategy into a focus on convenience and connection. It's also about being able to be the you that you want to be, which could be different on a Monday morning than it is on a Saturday night. We wanted to bring all that to life, so with our partner agency, Exposure we came up with this idea of "closer to you" back in January.

Once the pandemic hit, we started questioning the line as we were living with social distancing, but after spending time with it, and in thinking about how to bring it to life, we realized this concept is more important than ever. People are craving connection and are reflecting on who they are, who they want to be and how they want to show up in the world. We want to be there for them and facilitate that by offering everything we have, digitally and physically, online and in stores to be ready to serve customers on their terms.

Closer to you represents being physically closer to customers' homes and communities by providing order pick-up, returns and services in their neighborhoods. It means making your purchase closer to perfect by providing tailors at every Nordstrom location to ensure the perfect fit. It means bringing style advice closer to customers with access to personal stylists how and when customers want —shopping in-store or online, through our trunk services as well as providing digital styling experiences.

We're super excited about our pilot launching this month in our top five markets. We worked with a young director in L.A. named Jazmin Garcia who really brought to life the convenience of key services and how seamlessly this can happen as people go about their daily lives, with a warmth that we believe showcases that humanity and connection.

### **How do you stay optimistic throughout everything that's happening?**

I feel optimistic because we have the opportunity to continue to serve customers —whether that's completely digital, physical or a hybrid of the two. We can leverage our full-price and off-price brands, Nordstrom and Nordstrom Rack, to offer accessibly priced products all the way up to luxury. This is a time of great opportunity to rethink how we can serve customers the way they want to be served that will continue to lead to greater innovations.

On a personal level, I believe we have to be optimistic and apply it to the problems we're facing in order to have a positive outcome. It's not just the pandemic —a lot of things are happening that are creating anxiety, and we need to come together to work on solutions that are going to make the world a better place for everyone.