# NORDSTROM

## Ken Worzel on Delivering Convenience and Connection

April 7, 2022

Last week, our Chief Customer Officer Ken Worzel was in Las Vegas at Shoptalk, one of the world's largest retail and e-commerce conferences. Ken joined a panel conversation with Kroger's Chief Information Officer Yael Cosset where they discussed new technologies transforming the retail business, how Nordstrom has evolved in support of its customers and what's in store for the retail industry in the months ahead.

Here are a few of the highlights from Ken's session.

#### Getting closer to customers

How do we get inventory into the markets that are close to customers so that they can get better, connected service from us through that? We've now connected our pools of inventory across our stores and fulfillment centers in <u>local markets</u> so that you can not only do buy online, pickup in-store— you can do next day buy online pick up in-store and get any of the product that's anywhere in that market. For us, being able to do that means you get five to seven times as much product available for order pickup than if you were limited to one store.

We're in the fortunate position that when we say we're agnostic about serving customers how they want to be served at Nordstrom and through the Nordstrom brand. It's really true.

#### Bringing Nordstrom customer service to life digitally

The past two years accelerated our use of a lot of tools that empowered our salespeople, in particular, to create connections with customers, even if they weren't standing right in front of them.

It's really valuable for us when we can still get our people's voices and expertise in front of customers, even if it's happening digitally.

If you come into our digital channels today, an example of this is we have tens of thousands of salesperson videos, 15-second to 45-second videos which are our employees talking about the details of a product or how it can be styled. What that replicates for customers is the sense of discovery but also confidence in their purchase — it's bringing together the expertise and the confidence that comes from our employees but doing it digitally at scale.

It's not about the technology, it's about the customer experience. In many ways, we're serving customers with experiences powered by technology, machine learning. Al. and data in the background, but hopefully, the customer isn't seeing much of that. What they see is that the experience feels natural, connected and convenient for them.

### **Expanding into advertising with our Nordstrom Media Network**

We have a highly engaged customer base and aspire to be the partner of choice for brands. Those two things come together in product discovery. Nordstrom Media Network is about getting relevant brand content for customers at the right time. That's hugely valuable to our brand partners who are looking to expand their audience, and it's also important for our customers who are looking for new discovery.

Nordstrom Media Network is personalized and scalable which I think speaks to both the desire of our customers to be exposed to the right brands and experiences at the right point in their shopping journeys and to our brand partners.