

RETAIL

## Nordstrom Rack New York openings present threat to full-price debut

October 30, 2017



*Nordstrom Rack also comes with some socially-conscious inclusive options. Image credit: Nordstrom*

By DANNY PARISI

In an uncertain retail world, department store chain Nordstrom is banking on its discounted Nordstrom Rack stores by opening a new omnichannel-equipped location in New York's Herald Square.

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Nordstrom's new store will be the second Nordstrom Rack location in New York's Manhattan borough, signaling that discounted stores may be a promising bet in a time of retail uncertainty. That the store will be outfitted with some useful mobile and digital tools shows that Nordstrom is keeping up with some of the latest digital trends in the retail world.

"Opening a flagship Nordstrom Rack in Manhattan is a great way to keep its brand top of mind for consumers especially with the exposure to a massive volume of shoppers and tourists," said David Naumann, vice president of marketing at [Boston Retail Partners](#), Boston.

"New York is the premier shopping mecca in the United States and it is the place to be for fashion retailers that's why Nordstrom also plans to open flagship men's and women's full-line department stores there in 2018 and 2019, respectively," he said.

Mr. Naumann is not affiliated with Nordstrom, but agreed to comment as an industry expert. [Nordstrom](#) was reached for comment.

### Omnichannel focus

The retail world is in flux. As ecommerce, mobile devices and Amazon, among others, have each brought their own level of disruption to the way traditional retail works.

To navigate this complicated new reality, retailers are turning to a variety of options. For Nordstrom, one of the things it is banking on is its Nordstrom Rack stores.

Nordstrom Rack is the discounted counterpart to the full-price Nordstrom store. The retailer is opening a major new Nordstrom Rack location in New York's Herald Square, the second-such location in the city and one of many nearby off-price retailers.



*The new Nordstrom Rack comes with mobile checkout. Image credit: Nordstrom*

In addition to banking on the discounted prices to bring in new customers, Nordstrom is also introducing a host of digital tools to the store including mobile checkout powered by the Nordstrom app.

"Mobile devices are ubiquitous in our lives; dramatically changing how we interact with each other, obtain information and shop," BRP's Mr. Naumann said. "Having a constant, virtually unlimited amount of information at our fingertips has changed consumers' shopping behavior and elevated our expectations for customer service.

"Consumers now use mobile devices to research products, compare prices, complete purchases online and increasingly to pay for in-store purchases," he said.

#### Inclusive options

Another aspect of the new Nordstrom Rack location is emblematic of the retailer's larger efforts to make its stores more inclusive.

The Nordstrom Rack in Herald Square will feature gender-neutral fitting rooms, an option that is more accommodating to those outside of the traditional gender binary.

The retailer has begun including other inclusivity-minded store features at locations around the country recently.

For example, Nordstrom is working to make its women's clothing section more inclusive by asking brands to expand their sizing options to include women outside of the "standard" and "plus-size" categories.



*Nordstrom's new Manhattan location features gender neutral fitting rooms. Image credit: Nordstrom*

The new sizing options will be available at the retailer's Century City location in Los Angeles opening this week. Top brands have already signed on and Nordstrom hopes to extend this campaign to other locations around the country in the future ([see story](#)).

In other socially-conscious efforts, Nordstrom is working to offset the billions of pounds of clothing that ends up in landfills each year through the launch of a lightly-worn apparel donation program.

Working with Give Back Box and Goodwill, Nordstrom will launch an apparel and accessories solution to help give new life to used clothing. Consumers are increasingly conscious of their own environmental footprint, and are more inclined to shop brands and retailers that mirror their sustainability efforts ([see story](#)).

The digital and mobile tools equipped on Nordstrom's latest Rack location are in line with the retailer's overall commitment to convenience and omnichannel that has been a major theme of its strategy in recent years.

"Nordstrom realizes that busy consumers value convenience and offering their customers convenient services and mobile purchase options will resonate with their customers," BRP's Mr. Naumann said.

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