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Neiman Marcus still sustains loss amid Q4 sales growth

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Neiman Marcus is focusing more on omnichannel and digital as it hopes to offset loss. Image credit: Neiman Marcus

By STAFF REPORTS

Department store chain Neiman Marcus is updating its management team, as it reports growth in sales but still sustained a net loss for the fourth quarter of the 2018 fiscal year.

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For the fourth quarter ended on July 28, Neiman Marcus reported a 12.5 percent jump in digital sales and total revenues of \$1.13 billion. However, the company saw a net loss of \$75.3 million for the fourth fiscal quarter.

"The fourth quarter was in-line with our expectations and marked our fourth consecutive quarter of positive sales increases," said Geoffroy van Raemdonck, CEO of Neiman Marcus Group, in a statement. "Online revenues were up 12.5 percent for the quarter and accounted for 36 percent of our overall business.

"We also delivered healthy gross margin performance through lower markdowns and strong inventory management," he said. "As we look to the future, we are making long-term investments in technology, supply chain and new customer centric capabilities that will begin to benefit the business in fiscal 2020 and beyond.

"Our multi-year strategic plan is designed to both protect and advance our existing business, while also positioning Neiman Marcus Group for long-term growth."

Omnichannel moves

Neiman Marcus still sustained a net loss in the fourth quarter, but this loss is minimal compared to the \$366.3 million loss from the previous year.

The fiscal year saw total revenues of \$4.90 billion with a 4.9 percent increase in comparable revenues.

Amongst these financial findings, Neiman Marcus has also announced new management changes, including a new senior vice president of omnichannel customer experiences.



Neiman Marcus The Art of Fashion campaign. Image credit: Neiman Marcus

Starting in October, Stefanie Tsen will join Neiman Marcus from Sephora, where she held a similar role.

In addition to Ms. Tsen's appointment, senior vice president and chief marketing officer Carrie Tharp will be promoted to executive vice president and chief digital officer. The move is in hopes to create an enhanced omnichannel experience and greater customer engagement.

Ms. Tsen will report to Ms. Tharp.

Chief financial officer Adam Orvos is being moved to executive vice president, chief financial officer and chief operating officer after joining Neiman Marcus in April as chief financial officer.

Darcy Penick returns to the group as president of Bergdorf Goodman, owned by Neiman Marcus, after briefly maintaining a role at ShopBop as CEO.

"I believe in attracting top talent and fostering a culture of innovation," Mr. van Raemdonck said. "These key promotions, new hires and team refinements ensure that Neiman Marcus Group is in the best position to lead in digital and data excellence, drive growth and deliver on our goals to continue to elevate the company as one of the world's most prestigious luxury retailers in the world."

Neiman Marcus has also just herald its upcoming New York debut through a city-centric spread in its fall magalog.

The September issue of The Book features a photo shoot that celebrates local sights and experiences. Neiman Marcus is getting the word out and drumming up excitement for its Manhattan premiere ([see story](#)).