

RETAIL

Nordstrom is 2018 Luxury Retailer of the Year

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Nordstrom bolsters its growth with new promotions. Image credit: Nordstrom

By STAFF REPORTS

Department store chain Nordstrom is Luxury Daily's 2018 Retailer of the Year for its innovative retail concepts and ability to evolve with consumers' shifting values.

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Nordstrom was named over runner's-up Saks and honorable mentions Harrods and YNAP. These retailers introduced a new vision this past year to better serve shoppers in the highly connected, multichannel atmosphere of current retail.

The Luxury Marketer of the Year award was decided based on luxury marketing efforts with impeccable strategy, tactics, creative, executive and results. All candidates selected by the Luxury Daily editorial team and from reader nominations had to have appeared in Luxury Daily coverage this year. Judging was based purely on merit.

Strategy and innovation

Nordstrom's commitment to innovation in retail has allowed it to thrive while other department stores have been forced to close.

New concepts from Nordstrom span physical spaces and digital alike.

For instance, the department store chain leaned into the growth of the menswear market with a launch of its first ever men's only flagship.

On April 12, the retailer opened the doors for its new menswear store in New York. The location marks the first ever standalone men's store in Nordstrom's arsenal, at a time where menswear is flourishing ([see story](#)).



Nordstrom's new men's store concept in New York. Image credit: Andrew H.Walker/Shutterstock

Nordstrom also joined the fight for greater size inclusion in fashion, pressuring brands to do the same.

The store has undergone a series of initiatives to help offer wider ranges of sizes in its stores and online, even including a digital tool that provides a convenient way to find accurate sizing. New signage and marketing tools will help direct shoppers to brands with larger sizes, while custom mannequins are being made for Nordstrom stores to include up to size 12 ([see story](#)).

Last year, Nordstrom created a local concept that focuses on personal services.. The smaller, more bespoke experience is meant to be a more exclusive version of the traditional Nordstrom shopping procedure.

This year, the department store expanded its local strategy to two new locations.

Nordstrom Local opened two new locations in Brentwood and downtown Los Angeles. The Local concept is a hub that provides neighborhoods with services such as on-site tailoring, curbside pickup, click and collect and returns in a convenient location ([see story](#)).



Nordstrom Local. Image credit: Nordstrom

The chain also revamped its loyalty program to include additional personalization and more convenient ways to shop.

Dubbed The Nordy Club, the new rewards system launched in October and allows participants to earn points faster than before. The benefits are not limited to cardholders, making it more appealing to younger shoppers who tend to eschew credit cards ([see story](#)).

Nordstrom even integrated a new, modern wholesale buying platform prior to the holidays.

A new partnership with NuOrder, a B2B wholesale buying platform, allows Nordstrom to handle its buying process through a cloud-based process. The company insists that its platform allows for convenient collaboration between the buyer and manufacturer in addition to assortment selection, greater product details and insights and a complete view of planned merchandise to buy for the upcoming season ([see story](#)).

First runner's up - Saks

In 2018, department store chain Saks Fifth Avenue also exhibited the ability to take risk in an effort to evolve with changing shopping behaviors.

Saks' flagship underwent a major renovation to make way for more accessories on its ground floor this year, but its

new execution of the beauty department could be indicative of an emerging trend.

The uptown New York store has undergone significant refurbishment beyond a simple facade uplift, with a makeover in fundamental methods of business. The retailer's newly opened beauty department, named Beauty 2.0, has been moved to the second floor and offers a new strategy toward cosmetics buying to compete with retailers such as Sephora and Ulta ([see story](#)).



Saks new Beauty 2.0 department. Image credit: Saks

Saks also acted on its belief in a strong future for the jewelry sector with a flagship renovation.

The store at its flagship location in New York has unveiled a newly design jewelry department. Much like the future of its beauty section, its jewelry will be moved off of the first floor ([see story](#)).

During New York Fashion Week this year, Saks extended its retail footprint in with an experiential pop-up.

For four days, the Saks It List Townhouse translated the magalog editorial feature to a physical display in Greenwich Village. As the fashion crowd descends on New York for fashion week, this townhouse enabled Saks to engage style-conscious consumers ([see story](#)).



Saks launches a pop-up during New York Fashion Week. Image credit: Saks

The chain's comparable sales rose 7.3 percent in the third quarter, helped by its investments in omnichannel selling.

This marks Saks' sixth consecutive quarter of growth, as its luxury mainline stores outperformed its Saks Off 5th outlets, which saw comparable sales decline 2.3 percent. Saks' parent Hudson's Bay Company saw group-wide sales grow, but reported a net loss for the quarter ([see story](#)).

Honorable mentions - Harrods and YNAP

British department store Harrods further invested into experiential shopping as it opens its new Fine Wine & Spirits Rooms.

Wine and spirits enthusiasts are now able to journey through impressive architecture to discover their new favorite labels and products. Harrods' new rooms will also host a series of events in an effort to establish the retailer as an authority within the alcohol industry ([see story](#)).



Harrods' Fine Wine and Spirits room. Image credit: Harrods.

YNAP has also changed a variety of its business, recently being completely taken over by Richemont and delisted from the Milan Stock Exchange.

The company's Net-A-Porter platform invested in yielding high-end jewelry brands who lack an online retail presence to help affluent shoppers accomplish all of their buying needs within its platform.

The ecommerce platform launched a flagship jewelry store online, where it will bring in couture watch and jewelry brands, many of whom have never had a digital retail presence. A dedicated hub for prestigious brands such as Cartier, Jaeger-LeCoultre, Piaget and Chopard will include heightened customer service elements to better cater to the high-net-worth shopper ([see story](#)).

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