

RETAIL

Neiman Marcus Group sales down in Q3 amid promotional retail environment

June 11, 2019



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

By STAFF REPORTS

Retailer Neiman Marcus Group is focusing on long-term growth after its comparable sales fell 1.5 percent year-over-year in the third quarter of the 2019 fiscal year.

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For the quarter ended April 27, Neiman Marcus' total revenues were \$1.1 billion. Neiman Marcus attributes its sales decline to a promotional retail environment.

Retail plan

Neiman Marcus Group's net loss during the quarter was \$31.2 million, greater than \$19.9 million in the same period of 2018.

Through the end of the third quarter, the company's comparable sales have increased slightly by 0.7 percent. The group's total revenues for the first three quarters were \$3.6 billion.

Neiman Marcus recently rolled Mytheresa directly under its group. For the third quarter, the retailer's revenues were up 23.6 percent year-over-year, driven in part by its expansion in Europe.

Reflective of the growth in digital-centric Mytheresa, Neiman Marcus' online channel continues to rise. Today, online represents about 30 percent of all sales and new customer growth is at 7.8 percent.



Mytheresa has long focused solely on women's luxury apparel. Image credit: Mytheresa

Neiman Marcus is looking at 2019 as an investment year.

During the quarter, Neiman Marcus opened its store in New York at the Hudson Yards development in Manhattan, bringing its brand to the city for the first time ([see story](#)).

"We continue to drive innovation and are making long-term investments in technology and customer centric capabilities that will both enrich the shopping experience and position the company for long-term growth," said Geoffroy van Raemdonck, CEO of Neiman Marcus Group, in a statement.

This latest quarter has broken Neiman Marcus' growth streak. The group had seen six consecutive quarters of growth, as it aims to stabilize.

With total revenues of \$1.39 billion for the second quarter ended on Jan. 26, Neiman Marcus saw minimal growth of 0.7 percent from last year. The retailer reported a net loss of \$29 million compared to net earnings of \$372.5 million for the second quarter of fiscal year 2018, which included a \$387.8 million non-cash income tax benefit ([see story](#)).

1 thought on "Neiman Marcus Group sales down in Q3 amid promotional retail environment"

1. Adam Silber says:

June 11, 2019 at 7:21 pm

Neiman Marcus does not serve customers well.. it will not survive in the long term

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