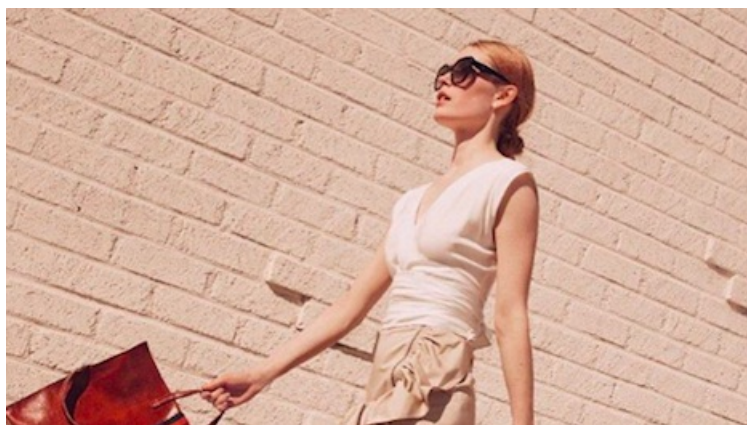


RETAIL

## Nordstrom improves customer metrics, but Q2 sales fall

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*Nordstrom saw declines in full- and off-price sales. Image credit: Nordstrom*

By STAFF REPORTS

Retail group Nordstrom's sales fell 5.1 percent in the second quarter, while ecommerce sales grew 4 percent and accounted for 30 percent of its business.

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For the second quarter ended Aug. 3, Nordstrom's earnings exceeded expectations as the retailer has emphasized better management of its inventory. Nordstrom also continues to grow its loyalty program and has seen improvement in other customer metrics.

### Online growth

Nordstrom's second quarter net earnings were \$141 million, down from \$162 million during the second quarter of fiscal 2018.

Full-price sales fell 6.5 percent year-over-year, while its off-price sales dipped 1.9 percent.

A bright spot was ecommerce, which now represents 30 percent of all Nordstrom sales.



*Rendering of Nordstrom's upcoming New York store. Image courtesy of Nordstrom*

As Nordstrom aims to improve profitability, it is turning to a more efficient approach to inventory. Inventory was down 6.5 percent year-over-year, as Nordstrom looks to better manage merchandise availability with consumer demand.

Although this year's Anniversary Sale saw softer performance than 2018, there was year-over-year improvement in customer metrics following the sale.

Nordy Club, the retailer's revamped loyalty program ([see story](#)), now counts 12 million members after growing 12 percent over the last year. Members are responsible for 64 percent of all sales.

"We delivered strong bottom-line results, demonstrating our inventory and expense discipline," said Erik Nordstrom, co-president at Nordstrom, Inc, in a statement. "We exited the quarter in a favorable inventory position and made important strides in productivity.

"We're focused on driving our top-line, and while this can take time, we are confident in our ability to manage through cycles," he said. "We remain encouraged by our key initiatives, including our local market strategy, and are making good progress on key areas of focus that we believe will collectively drive increased value creation for our shareholders."

In the next quarter, Nordstrom will expand to the New York market already the retailer's largest online market.

Nordstrom is gearing up for the upcoming opening of its New York flagship by starting the hiring process for store employees.

The retailer plans to hire 1,200 individuals to work at the location at 225 West 57th St. From sales floor help to housekeeping staff, Nordstrom is looking for "customer-obsessed" employees ([see story](#)).