

MULTICHANNEL

Neiman Marcus Group CEO: Luxury customers demand completely seamless presence

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By RACHEL LAMB



NEW YORK – The consumer is the center of a company's

business and an “omni-channel presence” must be implemented to ensure that the customer experience is at its peak, the top Neiman Marcus Group executive said at the NYU Stern School of Business Luxury & Retail Conference 2011.

An omni-channel presence refers to a completely seamless transition between all channels, even more so than a multichannel strategy. Both Neiman Marcus and Bergdorf Goodman pride themselves on delivering customer service in all channels, including in-store, mobile and online.

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“The customer is at the center of everything that we do,” said Karen Katz, CEO of Neiman Marcus Group, Dallas, TX. “The founding principles penetrate every decision we make day after day.

“Omni-channel presence is delivering a much more seamless experience all across the board in one clear message,” she said. “It will deliver that message to her anytime and anywhere she chooses to experience Neiman Marcus.”

Channeling the brand

Neiman Marcus Group realized that it needed to up its omni-channel presence after discovering that approximately 70 percent of customers research or shop online before they step foot into a Neiman Marcus or Bergdorf location.

“One of the things that we as a retailer do with all of the technological changes is ask where are the customers going, how do they feel about it, what’s next and how are we going to place our bets,” Ms. Katz said.



Karen Katz presenting

“We were forced to become more strategic as technology and innovation are changing how we make these decisions,” she said.

Neiman Marcus was known for its stores with a luxurious shopping experience, but the way that the retailer handled its online sales and in-store sales were completely different, according to Ms. Katz.

Therefore, the group decided that it needed to fuse the two together to create a more seamless relationship.

After that, the retailer moved into other mediums such as mobile.

The company’s retail two brands has three applications between them: Bergdorf Goodman shoe of the day, Neiman Marcus editions and Neiman Marcus gifts.

Seamless Web

Neiman Marcus knew that it had to get into the new channels in a seamless way because it had built its reputation as an innovator in its space.



Karen Katz presenting

For instance, Neiman Marcus is the first store that ever had a customer loyalty program, Ms. Katz claimed.

Furthermore, it was one of the first luxury retailers to start selling products online.

However, Neiman Marcus Group knew that it had to keep up with ever-changing trends and technology at risk of falling behind.

“Facebook was a total game-changer,” Ms. Katz said. “To be a good marketer, we still have to do events, do direct mail and have a loyalty program. But now we also have to be on Facebook, Tweet, have blogs and have online events.

“It really transformed the way we think about things,” she said.

Even now, Bergdorf and Neiman Marcus put much of their effort into online marketing because they found that is where a good chunk of their customer base is shopping.

It is just as important for the retail brands to maintain the same presence and voice on social media as they do in their other locations as part of the omni-channel presence.

However, the company is still trying to figure out the real gold in social networks and how to monetize its efforts.

“I’m not sure if we’ve monetized it yet, but we know that it’s very important to be a part of it,” Ms. Katz said.

Final Take

Rachel Lamb, associate reporter on Luxury Daily, New York

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