

RETAIL

Nordstrom expands to advertising with media network

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Nordstrom Media Network is an advertising program enabling brands to better reach consumers. Image credit: Nordstrom

By LUXURY DAILY NEWS SERVICE

U.S. department store Nordstrom is broadening its ability to reach consumers and engage brands through a newly launched program.



Nordstrom Media Network is an advertising program that allows brand partners to connect directly with Nordstrom's 32 million customers to drive traffic, sales and customer engagement. As part of its Closer to You strategy, which connects customers with personalized experiences, Nordstrom hopes to build on its digital-first platform to better serve its customers and drive revenue growth.

"Through Nordstrom Media Network, our goal is to create the best experience for our customers while also giving our brands the opportunity to tell their story across platforms," said Scott Meden, chief marketing officer at Nordstrom, in a statement.

"We look forward to growing the program with our brand partners as we strive to create a personalized customer experience that creates more opportunities for inspiration and brand discovery."

Expanding for profit

The program will enable brands to advertise directly on the retailer's digital platforms with nearly two billion unique annual visits, as well as through off-site digital advertising.



Nordstrom hopes the network will be mutually beneficial for the company and its brand partners. Image credit: Nordstrom

On-site channels include sponsored product ads and brand pages. Off-site channels include paid social and display ads, YouTube videos, search and shopping ads and affiliate campaigns.

Nordstrom first began testing this concept in 2019 with off-site campaigns for brand partners on platforms like Google and Meta, and ran a successful Nordstrom Media Network pilot program in 2021, generating \$40 million in ad revenue.

Within the network, Nordstrom offers brand partners tailored strategies to achieve their goals from creative storytelling to call-to-action marketing.

Nordstrom has stated this is only the beginning of its overall strategy to optimize customer and brand relations. Over the next few months, the company intends to expand ad placements on both its Nordstrom and Nordstrom Rack ecommerce site.

Last week, the retailer reported that it finished 2021 within its fiscal expectations, with net earnings of \$200 million for the quarter ended January 29, 2022. Net sales increased 23 percent compared to the same period in 2020 and decreased only 1 percent compared to the same period in 2019 (see story).

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