Macy’s Presentation

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Introduction

Pillars of Diversity:
● Colleagues
● Customers
● Marketing
● Community
● Suppliers
Our Macy’s Initiative
Men’s Tailoring Department

Available on the racks

Seeing people of all sizes in store
Why Men’s Petite Sizing?

Diversity Matters

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First Mover Advantage

★ First department store to implement an inclusive men’s clothing line—differentiating us from competitors
Competition

Large Department Stores

Nordstrom

JCPenney

Kohl's

Small Boutique Stores

Peter Manning

JAX Everett

Jimmy Au's

Tailored to fit men 5'9" and under

For men 5'8" and under
Cost: Macy's- Cost of Sales, 15,152 mil (2018)

Old Navy- 12% increase (2014)

Macy’s- Projected Cost of Sales, 16,970 mil

Revenue and Profit:

DXL-191.2 mil (2013)

Consumer base- est. 31.556 billion

Profit- 150-504 mil
Takeaways

* Macy's ...

It's time to Suit Up!
Any Questions?
Continued Information

- First Mover Advantage
- Inclusive Sizing
- Reducing the quantity of existing sizing
- Limited space to hold inventory
- Bringing in more customers
- Macy’s Growth50 Initiative (Top 100 Stores)
- PSLU Inventory
- Demographics
- Competitor’s Sizes
- Premium Brands and Suppliers
First Mover Advantage

**Advantages**
- First To Market.
- Can capture market share much more easily without having to worry about rivals.
- Initial Press.

**Disadvantages**
- Have the be the “explainer”
- Have to work out all the R&D issues.
- Are “stuck” with your product design for some period.
Inclusive Sizing
Would we have to reduce the quantity of existing sizing?
The issue of limited space to hold inventory
How do we know this will bring in more customers?
Macy’s Growth50 Initiative

- Capital Investment (200m+)
- Will expand to 150 stores through the end of this year, 2019
- Accounts for half of brick-mortar revenue
- Correlates in increased mobile/e-commerce
- Plans of expansion to half of Macy’s locations in the future (3-5 year period)
- Locations: 24 states, concentrated in California, Texas, Florida
Terry Lundgren, former CEO- “inventory optimization through technology”

- Omnichannel
  - RFID
  - Tyco Retail Solution
- Reduced 1 billion$ worth of inventory
  - Markdowns have decreased 12-15%
- Comparative to DXL, NGC Andromeda
Sizing from other competitors

The Peter Manning Difference
At PMNYC, we’ve redesigned everything with our guy in mind. Consider it semi-custom tailoring for the 'not-so-tall' guy.
Will premium brands be able/willing to provide new supply?