

WWD

Macy's Jeff Gennette Talks Beauty at CEW Luncheon

Macy's is focusing on digital, including mobile — which is now a billion-dollar business.

By [Allison Collins](#) on December 4, 2018



Jeff Gennette

Macy's is homing in on its customers.

“The customer has more choice than ever,” said Macy's Inc. chairman and chief executive officer Jeff Gennette. “Brands and retailers are on notice about how we're going to have a customer-centric strategy versus a brand-centric strategy and that is where Macy's has been mining for the last couple of years.”

The company has homed in on what Gennette calls Macy's "fashionable spender," who is looking to spend on **beauty** and shoes, and is working to reduce friction across the shopper journey by ramping up digital initiatives, including mobile, which Gennette said is now a billion-dollar business.

"Is it finding the product, is it finding the price, is it finding the salesperson, is it finding the right influencer for products, is it the ability to show it to your friends? That's friction that is table stakes," Gennette said. He spoke to a crowded room of Cosmetic Executive Women members in New York Tuesday, diving into Macy's **beauty** strategy as part of its broader reinvention.

Before now, Macy's would have looked at downward trends from 2015 and 2016 and called them "cyclical," Gennette said — but now, it and other retailers have realized there has been a "secular change."

Today, customers have changed the way they shop and interact with brands, as well as what they expect from retailers, he said. "That has got Macy's focused on the customer journey.

"What we learned about our customer is she shops both channels, she shops multi stores within a market and she shops multi categories," Gennette said, adding there are roles for brick-and-mortar and digital and that those two channels "reinforce each other."

During Macy's store closure process, the business saw that when it closed a store, the company's digital business in that region decreased, Gennette said.

In terms of beauty's reinvention, the "best" offerings will be in Macy's 11 flagship locations, Gennette said, the "magnet" locations will have both branded experiences, discovery experiences and Bluemercury locations, while neighborhood stores will have a more open-sell concept than what the retailer has today.

Digital is also playing a bigger role behind the scenes at Macy's, where the retailer is providing increased training for floor workers with Beauty Playground, a content hub. And while brand-centric beauty advisers are always going to be important to Macy's, Gennette said, it does make sense to cross-train those workers.

Macy's is also working on adding indies — "our customers want it," Gennette said — and integrating the methods of Story, a gallery-style shopping experience it **acquired in May**.

"It was as much about Rachel [Schechtman, Story's founder] as it was the concept of Story," Gennette said. "We are working with a brand in this room right now on our first story," he added, declining to comment on what exactly the collaboration would entail, but noting that it would happen next spring.