

Story for Macy’s Business Performance

Business Opportunit <span>es</span> for Macy’s	YOY Sales Performance	Revenue by Region	Revenue by Region - Top 4 and Bottom 5 markets	Revenue by Product category	Product Category Rank on the Top 4 Markets	Product seasonality and product revenue by category	YOY Revenue by Top Product Category	Revenue by channel and by payment method	Key takeaways
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Business Opportunities for Macy’s

Tania Lin

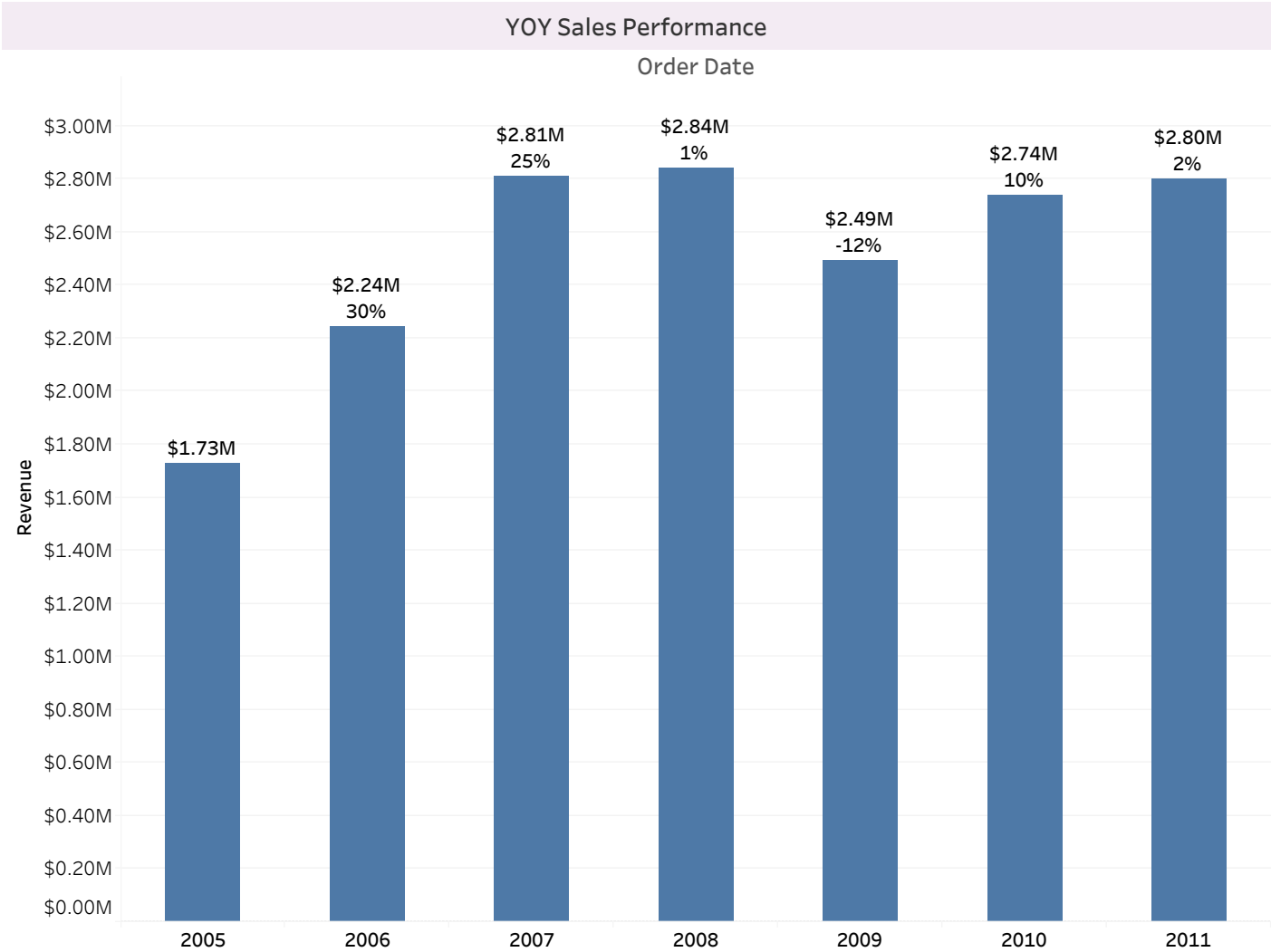
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Macy’s revenue was boosting from 2005 to 2007 until a drop in the 2009, then gradually recovered since 2010.

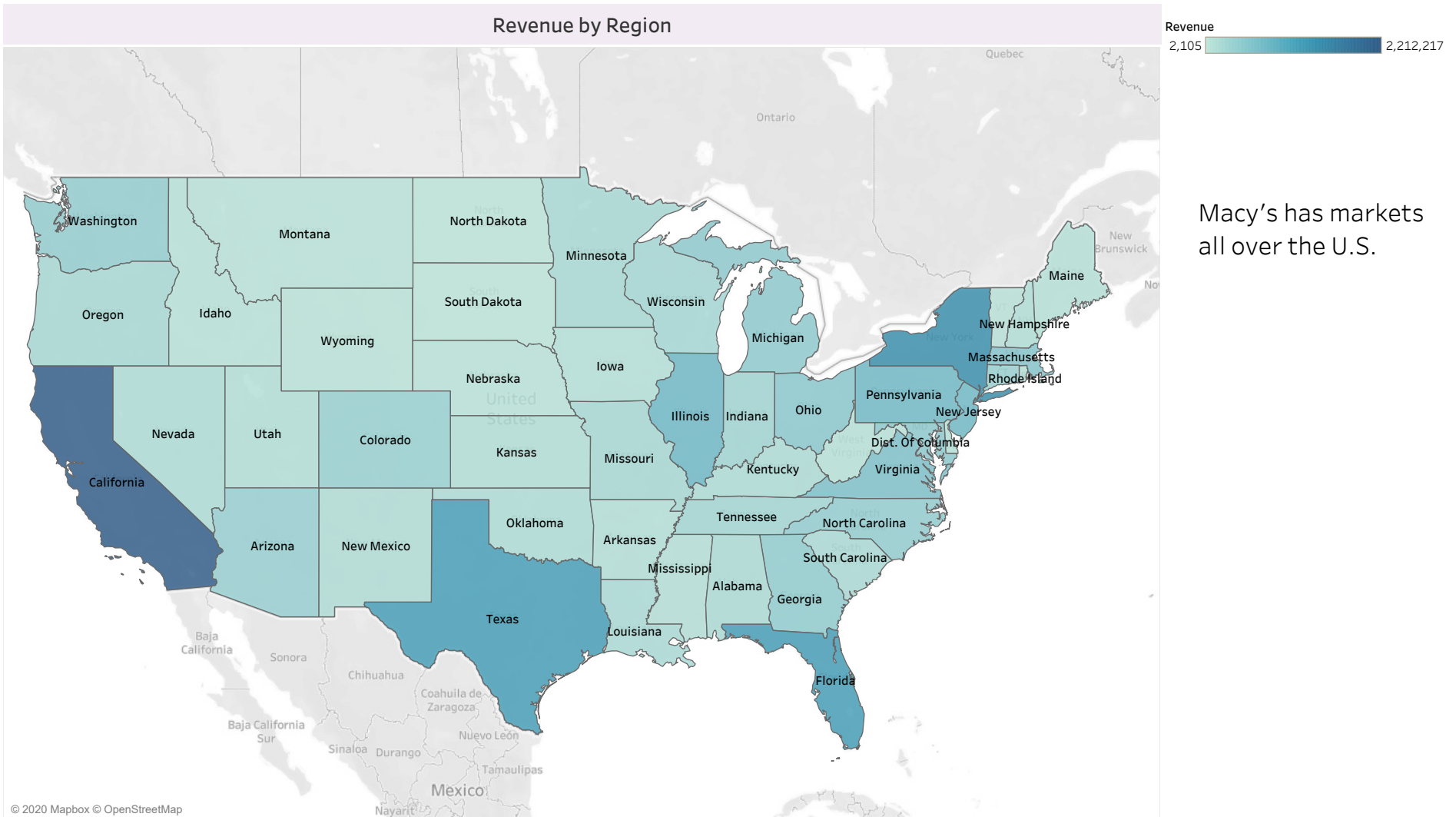
Issues

- 1)Growth rate after 2009 was slow
- 2)The business in 2011 performed even worse than Pre-Financial Crisis



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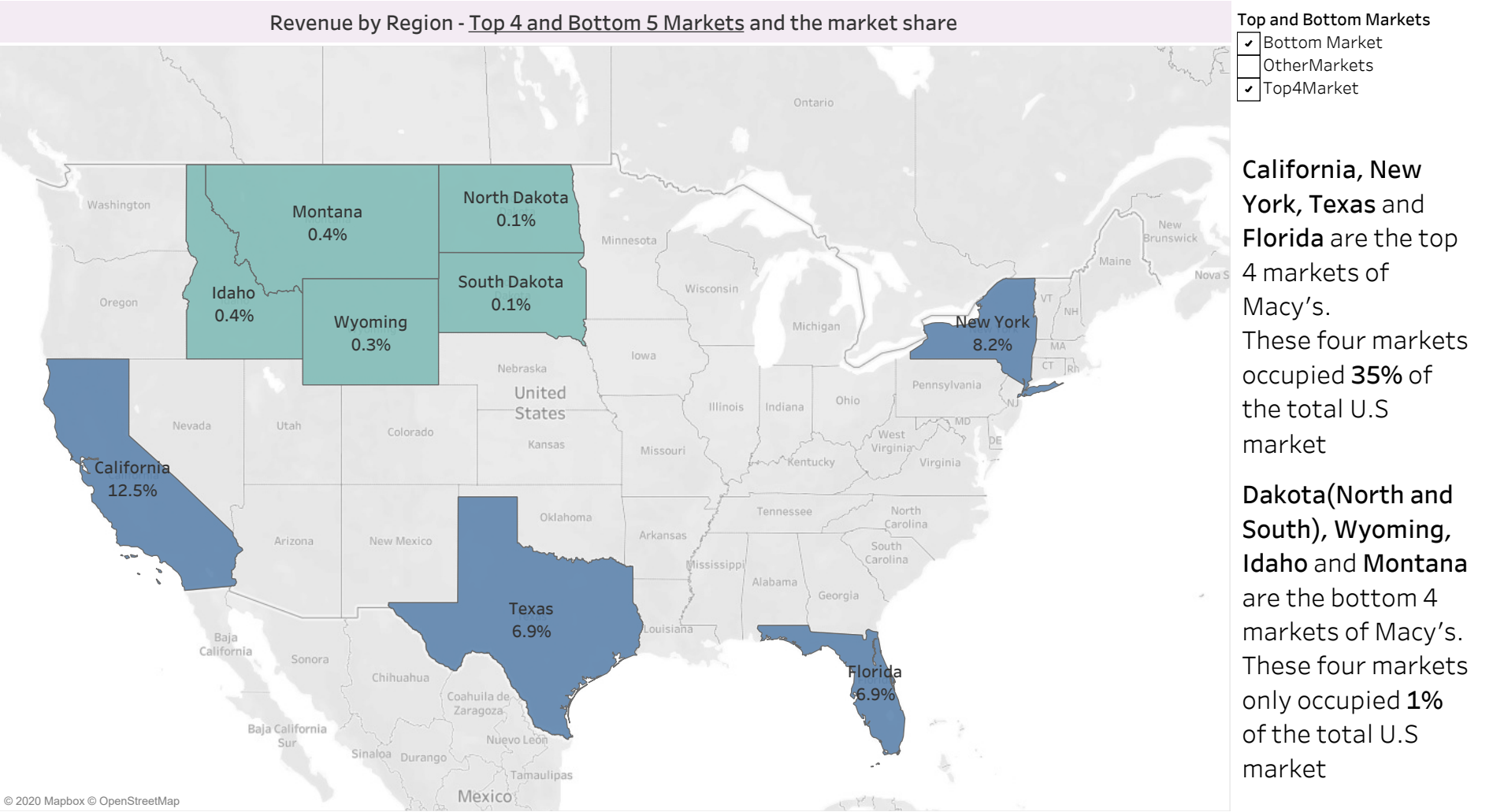
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Macy's has markets  
all over the U.S.

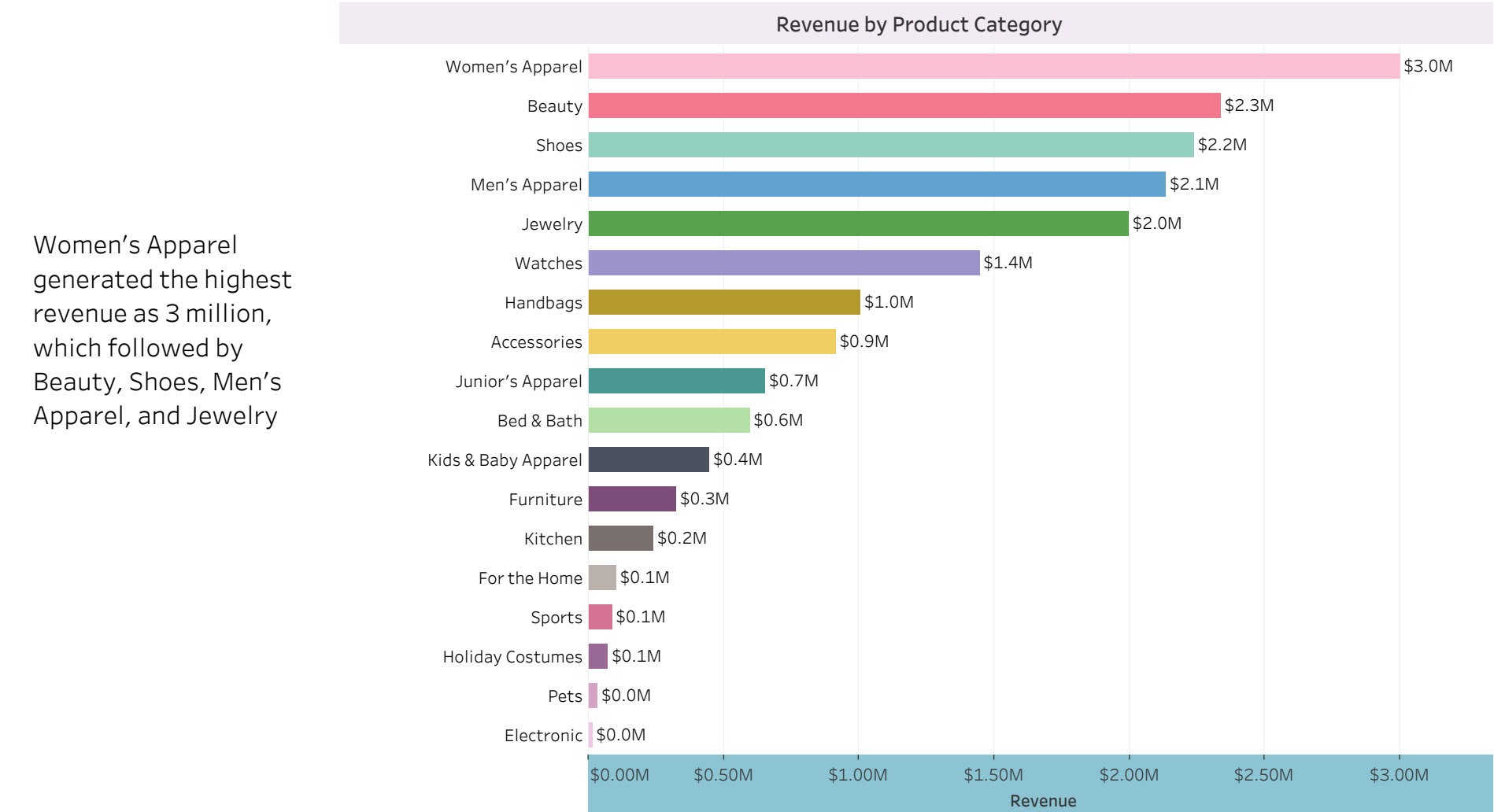
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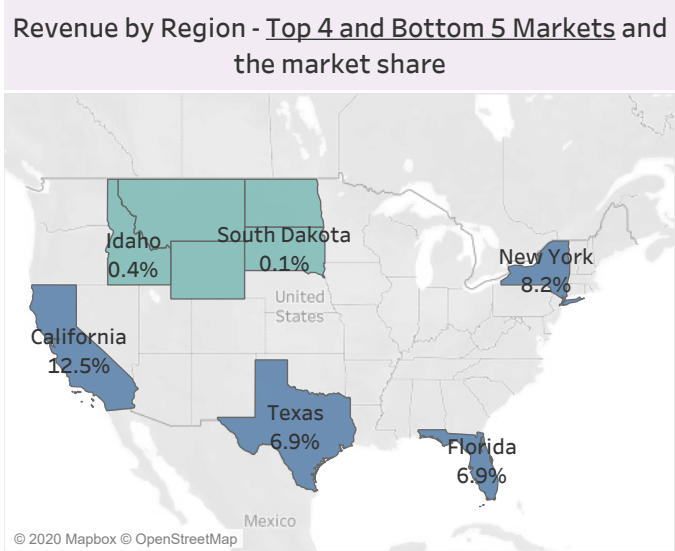
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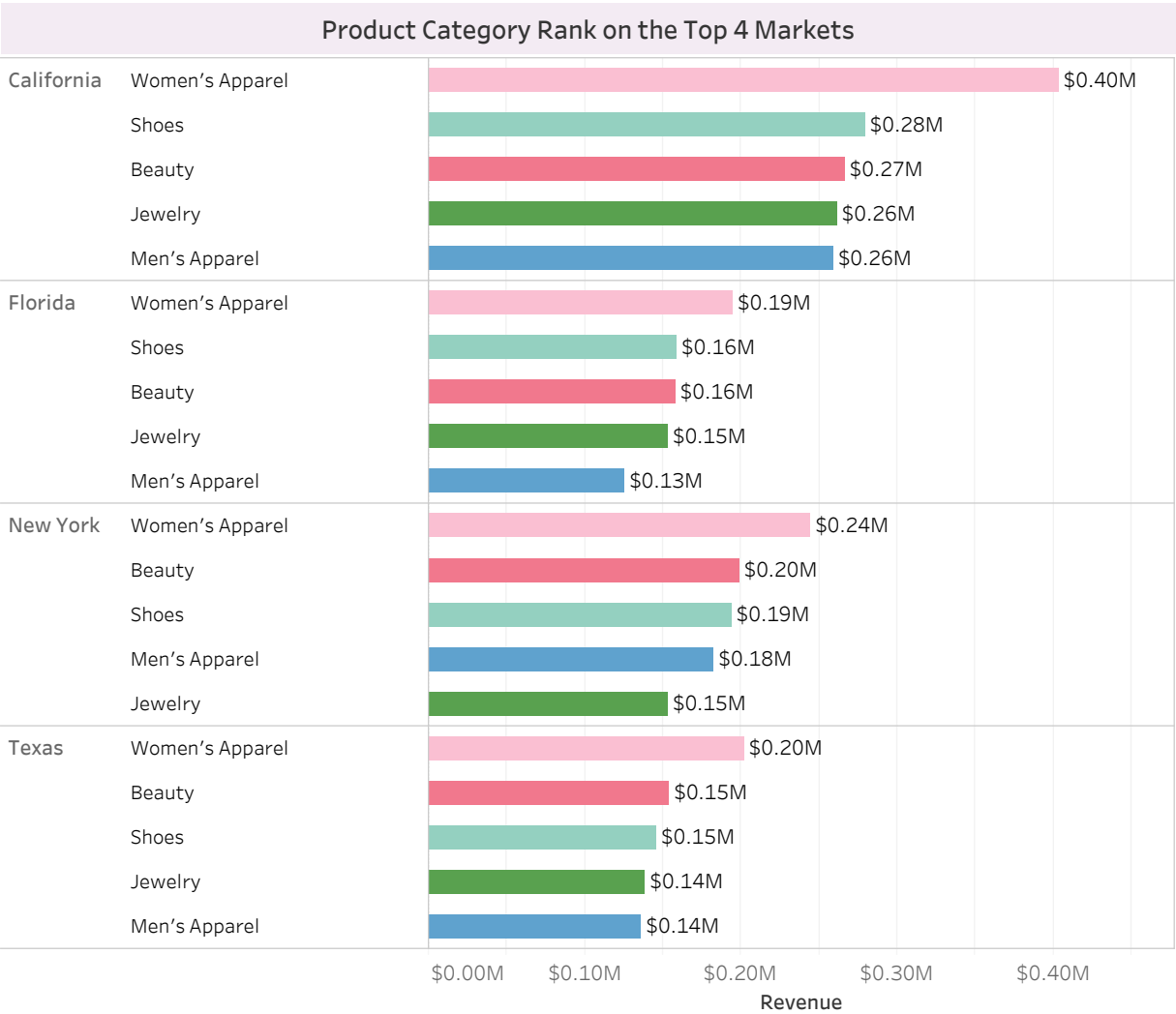


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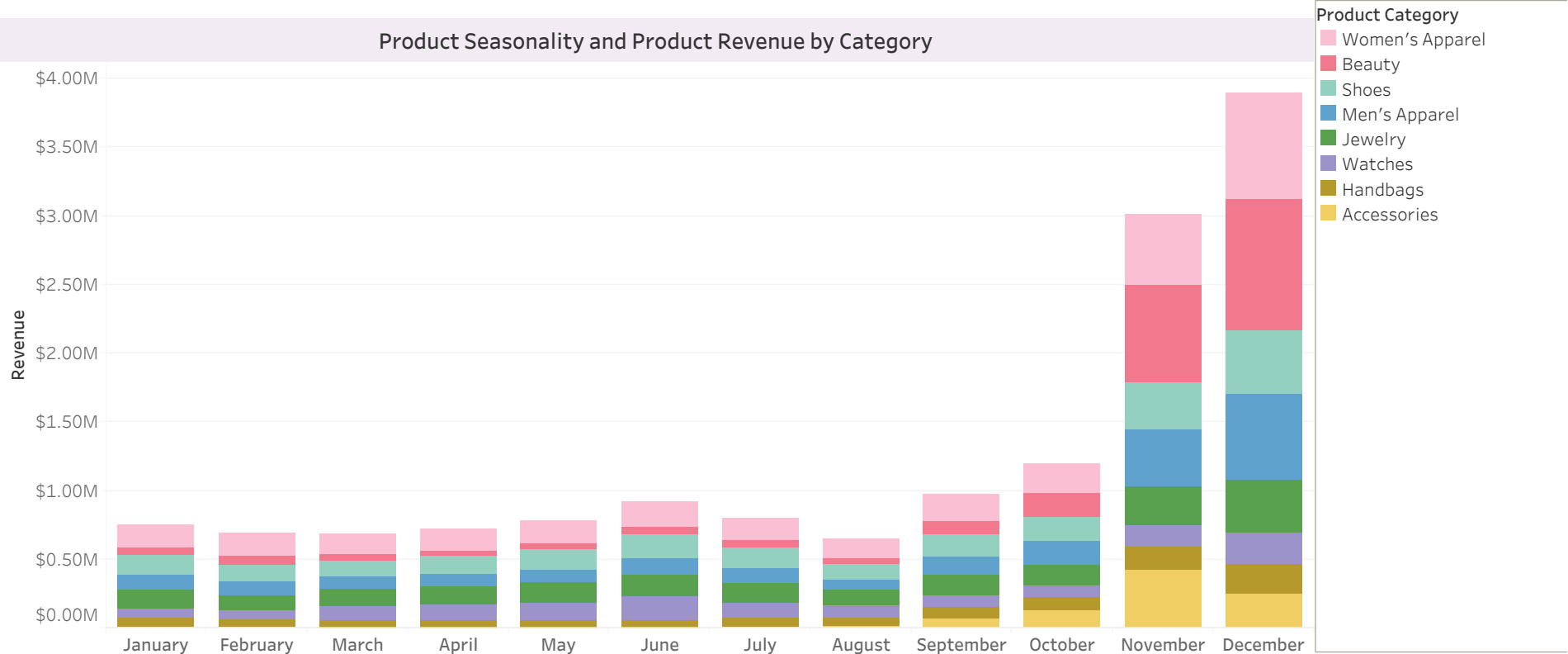
Among the top markets, the top markets are still women’s apparel, shoes, beauty, Jewelry and Men’s Apparel



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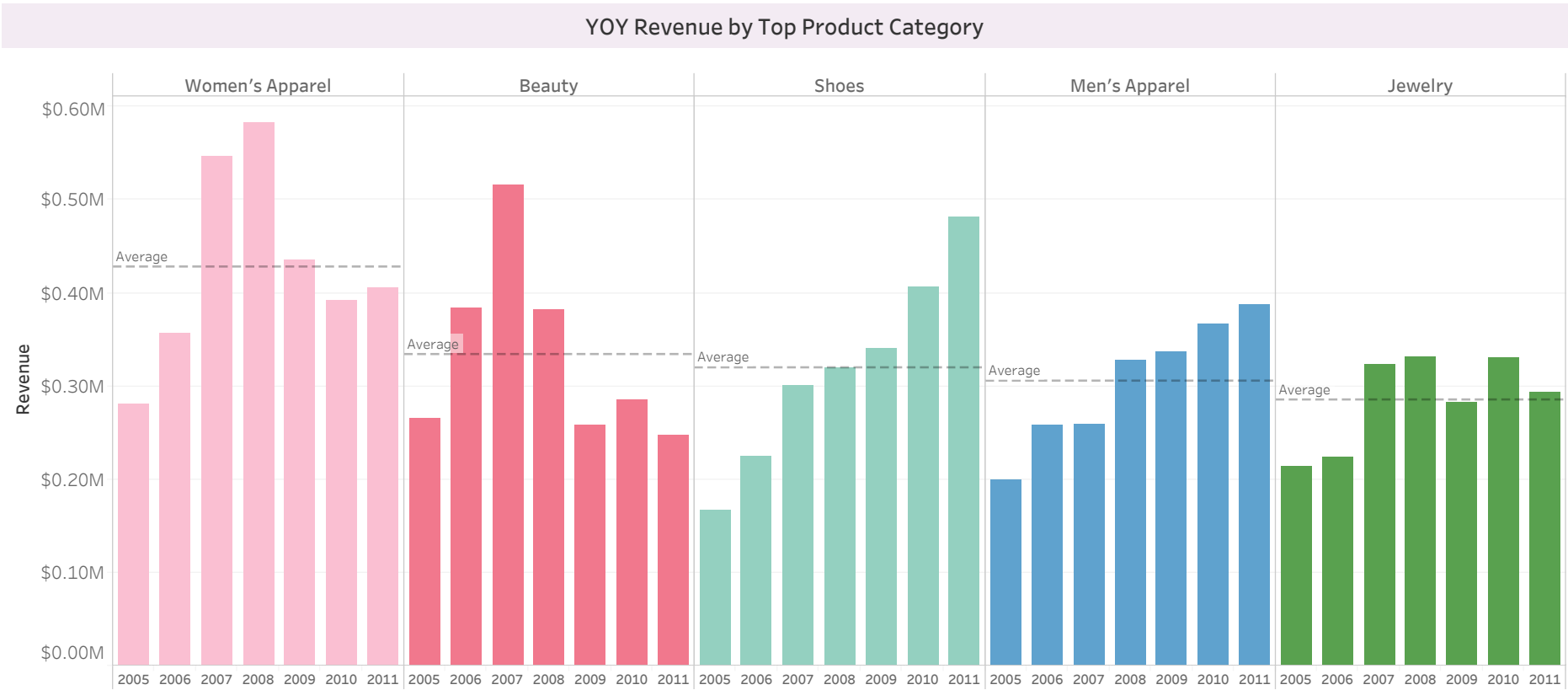
- Seasonal Effect:
- 1. July and August are the sluggish months
  - 2. Sales surge start in September and spike during holiday season in November and December
  - 3. Beauty category can be highly seasonal as the sales surge started in September and became the top sales category in November and December
  - 4. Apparel, Shoes, Watches and Jewelry had always been among the top sales categories throughout the entire year



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Though Women's Apparel, Beauty, Shoes, Men's Apparel and Jewelry are the top 5 categories, **Women's Apparel** and **Beauty** sales are decreasing in recent years.

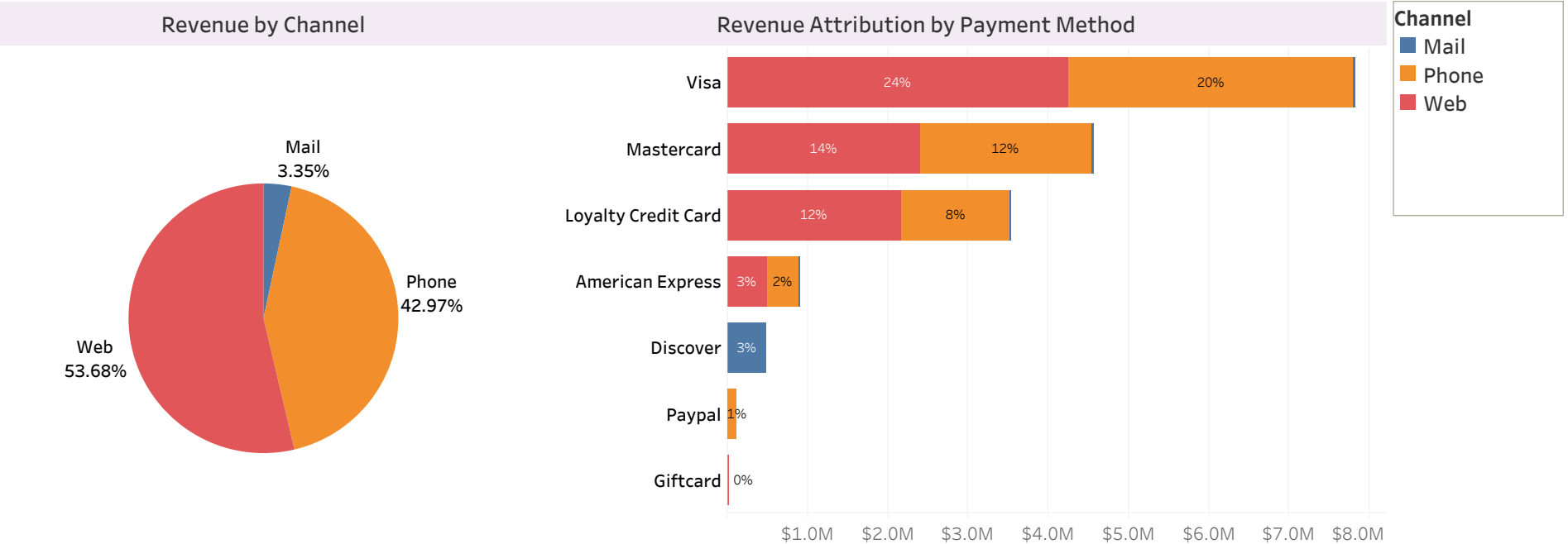




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- 1.1 Over 96% of total Revenue were driven by Desktop and Mobile users
- 1.2 Less than 4% of total Revenue were attributed to Mail
- 2.1 Visa, Mastercard, and Loyalty Credit Card are the top 3 payment method, and drove about 90% of the total Revenue
- 2.2Discovery card holders attributed to Revenue via mail channel



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# Key Takeaways

**1st Finding:** Four markets accounted for 35% of total Revenue; mid-west region generated the least Revenue

**Solution:** Continue to retain and improve market share in top 4 markets; implement incentives in midwest to improve Sales

**3rd Finding:** Women's Apparel and Beauty drove strong Revenue, but have experienced Revenue decreases in recent years

**Solution:** Improve marketing effort, develop attractive offers for these two categories across all markets; include more new/independent brands into Macy's

**2nd Finding:** Q4 generated the highest Revenue and Sales in the entire year; summer was the weak season in retail sales

**Solution:** Allocate more marketing budget from summer to Winter; roll out competitive promotion offer going into and during Holiday Season

**4th Finding:** Visa, Mastercard and Loyalty Credit Card drove majority of the Revenue

**Solution:** Develop reward program with payment companies - Visa and Mastercard to improve Sales; promote Loyalty Credit Card and provide special offers/incentives for purchase