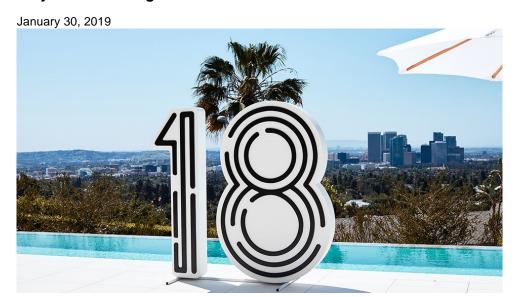
## NORDSTROM

## **Project 18: Building for Customers with Customers**



We've been focused on scaling our Local Market Strategy in Los Angeles – combining the scale of our national infrastructure with our local assets of people, product and place to help reimagine the customer experience. To help improve our local experiences and maximize the strategy's impact, we invited 800+ of our most engaged customers in L.A. last spring to come behind the scenes and work with us to co-create new offerings through a collaborative group called Project 18.

This group was hyper-engaged and exceeded our expectations, contributing more than 400,000 opinions and ideas on what our customers love about their Nordstrom experience today and what they want from us in the future. They made it clear that selection, convenience and service on their terms are what matters the most, validating much of what we believed. Specifically, we heard that styling services are incredibly important. Customers want to see looks created by local stylists and connect with those stylists to create personalized looks through our app. They also want to get an item available in any local store within a day.

This wasn't just a focus group that contributed ideas – they worked hand-in-hand with teams across Nordstrom to bring these experiences to life, including working with our board of directors and executives. Some specific examples of Project 18 community's accomplishments include:

- Co-creating a beta app to test and refine new features that ultimately went into in the Nordstrom shopping app.
- Refining Your Look™that shows curated outfits based on specific product searches online and in the app.
- Identifying services they wanted to see at Nordstrom Local and helped us open two new L.A. locations.
- Sharing feedback to help create features offered in The Nordy Club.
- Working with our Nordstrom Product group throughout the design process for a new line.
- Testing new concepts in our L.A. market to get styling when and where they want.

We are consistently humbled by how passionate our customers are about what we do and how willing they are to help us improve. Project 18 ended in December, but we're already seeing the impact of this group's work across the entire company. We can't thank the members of the Project 18 community enough for the incredible impact they've had on the Nordstrom customer experience and look forward to continuing to work with many of them in the future.