



IBM Customer Reference

Neiman Marcus

Synopsis:

Upscale retailer updates its POS systems with future-ready IBM SurePOS 4694 systems, IBM SureMark Printers and IBM SurePoint Solutions to help ensure system availability while improving customer service capabilities

Location:

USA

Industry:

Retail

URL:

<http://www.neimanmarcus.com>

Customer Background:

The Neiman Marcus Group is composed of two primary operating divisions: specialty retail stores (which includes Neiman Marcus and Bergdorf Goodman Stores) and direct marketing. The Group's retailers offer upscale assortments of apparel, accessories, jewelry, beauty and decorative home products to affluent consumers.

The Company operates 35 Neiman Marcus Stores across the U.S. and two Bergdorf Goodman stores in Manhattan. It also operates twelve clearance centers. These store operations total more than 5 million gross square feet.

Neiman Marcus Direct, the direct marketing and fulfillment business, markets the Neiman Marcus, Horchow and Chef's Catalog brands. Neiman Marcus Online operates Web sites under NeimanMarcus.com, ChefsCatalog.com and Horchow.com. NeimanMarcus.com offers an assortment of luxury merchandise for women, men and home.

Business Need:

Neiman Marcus's existing IBM point-of-sale (POS) systems were getting old and were about to reach maximum capacity. Given its system configuration and processing needs the company anticipated that it would soon face availability problems. And since efficient customer service is a key component of the company's upscale shopping experience, it needed an enterprisewide system upgrade to a new, more powerful, reliable and scalable POS system.

Neiman Marcus wanted to standardize on a single POS platform across the entire chain. In doing so, it initially required a dual boot process to run new hardware with old code (DOS) along with the ability to easily switch to new software after several months. Neiman Marcus also wanted to rewire for Ethernet, which meant that the old communications code needed to be modified to work with the new hardware.

Solution:

Neiman Marcus decided to purchase 2,800 IBM SurePOS 4694 systems, IBM SureMark Printers and IBM SurePoint Solution (POS display) for its 53 nationwide locations. Initially, Neiman Marcus is leveraging its existing DOS-based applications and operating system. However, it plans to upgrade to a Cornell-Mayo solution running on Microsoft Windows at a later date. In the

meantime, the IBM Retail Store Solution team helped the company modify its existing DOS-based communication code to work with the new solution, including the SureMark Printers.

This new advanced computing technology from IBM provides Neiman Marcus with a platform and technology architecture that is flexible, scalable and retail hardened. This will enable it to add an ever-increasing set of capabilities, including Web-enablement. As a result, the company can provide a seamless shopping experience across all of its retail channels.

In addition to enhancing customer service, Neiman Marcus associates can use the new IBM SurePOS systems for employee training and to access back-office applications - all from a single system. The company expects to have all of the systems rolled out by December 2003. Neiman Marcus chose the IBM SurePOS solution for its sleek flat panel display and enhanced printer design and hardware technology integration. It also considered ease-of-service as well as IBM's commitment to open standards and its well-known reputation for providing networked POS systems designed and hardened for the rigors of the retail environment.

Benefits of the Solution:

The IBM SurePOS 4694-based POS system has helped Neiman Marcus eliminate its availability concerns while providing a future-ready platform that will enable it to improve customer service. For example, the Web-enabled system will help the company to seamlessly integrate transactions with client information, including details related to preferences and purchase history to help sales associates better serve customers. It will also provide calendaring and events tracking, automated replenishment, item locator, return authorizations, package manifests and much more. Additionally, all of the systems are integrated with the POS transaction set, which helps the company present a smooth operator interface while virtually eliminating double keying.

Neiman Marcus also benefited from the expertise and efficiency of the IBM Retail Stores Solution team, which was able to modify the solution to support its unique needs.