

New Technologies Enhance Service, Convenience and Customer Engagement at Macy's and Bloomingdale's

CINCINNATI--(BUSINESS WIRE)-- Macy's, Inc. (NYSE:M) today outlined a series of technology-related innovations being launched or piloted in its stores and online sites as part of the company's omnichannel strategy to drive sales growth at Macy's and Bloomingdale's. These innovations are designed to engage customers and to make their shopping experience more convenient, fun and interesting.

"As we build our culture of growth at Macy's, Inc., it is important that we develop and test new ideas so we can learn and continue to improve. We are committed to leading in the adoption of technology that resonates with our customers, recognizing that not every idea will prove to be successful in the long-term," said Terry J. Lundgren, Macy's, Inc. chairman, president and chief executive officer. "In particular, we are using technology in our stores to mirror the online shopping experience, and adding functionality and content online to provide customers with additional assistance in product selection. The ultimate goal of our omnichannel strategy is to build deeper relationships with customers and to ensure Macy's and Bloomingdale's are accessible no matter how or when our customers prefer to explore or shop."

Macy's, Inc. enjoys a growing reputation as a technology leader in the retailing industry. L2, a think tank for digital innovation, recently named Macy's and Bloomingdale's among its Top 10 retailers in Digital IQ, based on digital competency and mastery of mobile and social platforms. Macy's was ranked #1 among 64 retail brands included in the study.

Here are a few examples of tests and rollouts currently in progress across the company involving new technology to benefit customers:

- Macy's nationwide Search & Send initiative is being expanded through fulfillment of orders by a growing number of stores across the country. Initially with Search & Send, every Macy's store register was enabled to find products that are out of stock or unavailable in that particular location by accessing the macys.com online inventory. Search & Send now has been expanded to also include fulfillment from 23 selected Macy's stores across the country. In 2012, more than 100 Macy's stores with broad merchandise assortments will be part of the Search & Send fulfillment network – providing customers in every Macy's location with easy access to an expanded volume and variety of inventory. Products bought in-store through Search & Send are delivered to the customer's home or workplace, with free shipping for orders of \$50 or more. The company also is testing the use of Macy's store fulfillment for selected items purchased online. Bloomingdale's provides fulfillment from all of its stores, as well as its online inventory.

- By early October, Macy's will begin testing Beauty Spot, a new cosmetics concept that allows customers to search and select products from various product categories across multiple brands from a custom-designed kiosk to be located prominently on the selling floor. Customers interested in lipstick or foundation, for example, can explore a wide range of alternatives, supported by detailed product information, new ideas and testers. A dedicated Beauty Spot concierge associate will be available to assist customers and process credit card transactions using a hand-held mobile device. Powered by the 2nd generation Intel® Core™ processors, Beauty Spot with interactive touch screens will be tested in four Macy's stores in New Jersey, Texas and Virginia. Six Macy's stores in Delaware, New Jersey, Pennsylvania and Texas will test Beauty Spot without touch screens. Intel and Macy's collaborated to create an innovative solution using the latest technology, including spot touch screen technology enabled by Intel. The application was developed by Possible Worldwide in partnership with Macy's.
- Macy's and Bloomingdale's stores have begun testing computer tablets and hand-held devices to engage customers in selected merchandise areas. This fall, about 350 stores will be using tablets to help customers research and select skin care products at Macy's and Bloomingdale's Clinique counters. In shoes, Bloomingdale's will be using tablets and hand-held devices in five stores to help customers view and shop from the largest possible variety of styles and colors, including products at other Bloomingdale's stores. In fine jewelry, 25 Macy's stores are beginning to use tablets to demonstrate product features and offer coordinating jewelry pieces that may not be available in that particular location. These items can be purchased via the Macy's Search & Send system.
- Macys.com has launched a new denim fit finder for women. Powered by True Fit™ fit personalization software, the function allows online shoppers to select the perfect pair of jeans among all denim brands offered by macys.com using an easy-to-use three-step process based on a customer's unique body and style preferences. Recommended styles can be saved on the customer's personal profile page for future reference.
- At the end of October, all Macy's and Bloomingdale's furniture/mattress delivery associates will be equipped with computer tablets to plan daily routes, find locations via GPS, record delivery verification signatures, and access product and sales transaction information on-site to answer customer questions. This use of technology will improve customer service by more accurately predicting arrival times and delivering furniture and mattresses on schedule.
- Macy's and Bloomingdale's stores have begun to replace signature pads at all 50,000 point-of-sale terminals with new customer response units developed by Verifone. The rollout will be completed by fall 2012. These new customer response units enable the company to test emerging transaction-processing technologies. Among them is Google Wallet, a smartphone application currently being tested in 219 Macy's and Bloomingdale's stores in five markets (Chicago, Los Angeles, New York, San Francisco and Washington, D.C.) that allows customers to "tap, pay and save" when they use their phone as their wallet. Currently, Google Wallet is available on a limited basis to users of Android Nexus S 4G smartphones on the Sprint Network who are holders of certain Citi MasterCards.

- Beginning in late October, Macy's will experiment with digital receipts in 50 selected stores across the country. When making a purchase, customers can choose to have a copy of their receipt emailed to them. In spring 2012, Macy's customers will also have the option to select digital receipts only, thus eliminating the unnecessary use of paper receipts. Digital receipts are a convenience for many customers and will support the company's sustainability objective of reducing the use of paper in its business operations.
- Macy's and Bloomingdale's have begun installing free Wi-Fi service in stores nationwide to enable customer use of smartphone applications and/or tablet technology for shopping. By the end of October, full public Wi-Fi access will be activated in about 230 Macy's and nine Bloomingdale's stores. In another 79 Macy's stores, Wi-Fi access is being installed in junior's and young men's departments to support the company's youth initiatives.
- Macy's and Bloomingdale's have added live chats to their online shopping sites, allowing customer service representatives to provide real-time assistance to customers as they complete transactions.

Macy's, Inc., with corporate offices in Cincinnati and New York, is one of the nation's premier retailers, with fiscal 2010 sales of \$25 billion. The company operates about 850 department stores in 45 states, the District of Columbia, Guam and Puerto Rico under the names of Macy's and Bloomingdale's, as well as the macys.com and bloomingdales.com websites. The company also operates four Bloomingdale's Outlet stores.

All statements in this press release that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Macy's management and are subject to significant risks and uncertainties. Actual results could differ materially from those expressed in or implied by the forward-looking statements contained in this release because of a variety of factors, including conditions to, or changes in the timing of, proposed transactions, prevailing interest rates, changes in expected synergies, cost savings and non-recurring charges, competitive pressures from specialty stores, general merchandise stores, manufacturers' outlets, off-price and discount stores, new and established forms of home shopping (including the Internet, mail-order catalogs and television) and general consumer spending levels, including the impact of the availability and level of consumer debt, the effect of weather and other factors identified in documents filed by the company with the Securities and Exchange Commission.

(NOTE: Additional information on Macy's, Inc., including past news releases, is available at www.macysinc.com/pressroom).

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