

January 23, 2012

To: Elaine Maldonado

From: Jean Jacullo

Re: Results of the Practicum approved by the Teaching Institute

During the January 2012 Winter break I completed a practicum in which I worked in industry with two major retailers, Brooks Brothers and Gilt Groupe in order to enhance my knowledge of e-commerce. This practicum enabled me to see how recent developments in the field are utilized by retailers and to bring this knowledge back to my students and colleagues. The topic could not have been more timely! I also attended the National Retail Federation's yearly conference in NYC in January, and e-commerce, m-commerce (mobile commerce) and t-commerce (tablet commerce) were the driving issues at the convention.

I started the practicum at Brooks Brothers which proved to be very helpful since the Brooks Brothers team were very interested in "teaching" me, while the Gilt Group team despite being very welcoming had to "throw" me into the action, which is indicative of the fast pace of how their company works.

At Brooks Brothers I worked with a total of 12 executives, all employed in different aspects of e-commerce. The executives I worked with included, Lou Amendola, Chief Merchandising Officer, Linda Rooney, V.P. Planning, Jonathan Wintergreen, Director of Store Planning and Web, Marko Bob, Director of User Experience, Design and Creative, Cindy Lincks, Director of Analytics, Christin Scarcello, Web Merchandise Manager, Liz Morgan, Web Merchandise Manager, Jason Nichol, Social Media Team, Ashley Minervini, Social Media Coordinator, Erik Nelson, Copywriter for the Web, Caroline Davidson, Online Advertising Specialist, and the Director of HR, Larry Neiditz, and Karen Beato, Human Resource Coordinator.

I learned new things from all of these people but I will only briefly list my main take aways below:

1. I learned how the role of the buyer (called a Web Merchandise Manager), differs in the web environment than in a traditional brick and mortar organization. Brooks Brothers is a vertical merchant, meaning they not only sell the merchandise they design the merchandise and have it manufactured for them. Therefore the Web Merchandise Managers are not truly selecting the entire assortment for the web as they would be doing if they worked for a traditional retailer that procured goods from the market. Here, the assortment is set by what merchandise Brooks has manufactured and

produced. The role of the Web Merchandise Manager is to work with the copywriter, the photo studio, and the social media personnel to insure that the merchandise is properly conveyed to the online customer. This involves an elaborate system for setting standards on properly photographing the merchandise. One of the chief responsibilities of the Merchandise Managers has been to develop a Style Guide to show the photo studio what they MUST HAVE when displaying the Brooks product. It is an ongoing important project in the quest to always present the merchandise in the most true to life manner, and in the colors and display positions that attracts the customer. It was very clear that the Merchandise Manger has to be able to work collaboratively since there is a tremendous amount of "handing off" one's work to others in the organization. The other thing that was apparent is that the Web Merchandise Manger must be extremely flexible as the product results measured by the Analytics team are produced fast and furiously, and the Merchandise Manager must be able to react quickly.

2. One of my big take aways was the understanding of how the Search Engine Marketing process works. In e-commerce this is an extremely important part of the business and for the first time I was able to observe firsthand the responsibilities of the Online Advertising Specialist, and the Email Marketing Manager. These two functions are extremely important in any e-commerce operation. The intricacies of these two functions are too detailed to explain here, except to say they are critical to the success of the site. This is where the proper placement of the advertising, the proper words utilized in a search or in a product description can either make or break the customer traffic which is the life blood of any site.
3. My time working with the Social Media Team at Brooks was invaluable. Although there is a lot of talk in the industry of the disappointment with f-commerce (selling within Facebook), it is clear the younger generation considers the importance of having their favorite brands recommended and endorsed on Facebook to be critical to their feelings about the brand, and their ultimate buying patterns. The young customer needs to feel emotionally connected to the brand and it is the role of the social media team to bring that customer into the Brooks brand either through blogging, through video or through personal one on one feedback with the customers. Spending an afternoon with a 23 year old charged with this experience proved the best way for me to understand the process.
4. The final piece of the success of the website is the utilization of the analytics and all the business intelligence tools that are utilized by the analytics team to improve selling results. The analytics team can have a huge impact on the success of the product, and

the Web Merchandise Managers, and the analytics team work closely together testing out different formats, etc. and analyzing the results. Again, the importance of team work in this environment cannot be overstressed.

After Brooks Brothers I spent a week at Gilt Groupe. Gilt Groupe is a pure internet player, and on top of that operates a flash sale model. This means they introduce a new sale, or many new sales every day at 12:00 pm, have the merchandise available for a brief period of time and then take the merchandise off sale. In this way demand and scarcity drive the sales. The typical flash sales customer has a mission: at 12:00 they are at their computer ready to snag that fashion apparel or accessory item in their size. The basis of this business turns the need or wants for new apparel item into a Shopping Experience. The same emotion that drove the Filene's customer to the annual Bridal Sales drives the flash sale customer. It is obvious there is more at work here than procuring a new pair of boots or a new dress. The "Magic" created by the Gilt Groupe website carries the customer through an experiential shopping experience.

At Gilt I was fortunate enough to be able to "shadow" the General Merchandise Manager, Jyothi Rao. Jyothi is an experienced professional with a background from Calvin Klein and Gap. I sat in on Merchandise Team Meetings with the buying and planning team, Search Engine Optimization meetings, PR meetings that Jyothi attended. It was clear to me that the pace is frenetic and only candidates with a high energy level could thrive in the Gilt Group, or any flash sales environment. My time with Jyothi pointed out the differences in buying for a flash sales site vs. a brick and mortar retailer that has a website. The differences are many and the buying process is different. It is a challenge for the FMM department to dissect the curriculum and see how we can best prepare students for this business environment.

Another unique experience I had at Gilt was that I was put through a day of "New Hire Orientation". This included not only meeting the President of the organization and key executives in Marketing, Product Management (this is not merchandise, this is web creation), Merchandising, but to also visit their photo studio and call center in Brooklyn, NY. Seeing their photo studio compared to Brooks was another learning experience.

In addition I spent time with the Senior Social Media Specialist, Jessica Mann, Search Engine Optimization Lead executive, Mark Pilatowski, the Director of User Experience, Nobu Nakaguchi, and the Director of Analytics, Tamara Gruzberg. I was

fortunate to have spent time at Brooks first because at Gilt it was assumed I understood the process and the conversation was on a high level. It was terrific!

This practicum gave me the opportunity to learn things that I could never learn by reading articles and books about these topics. Being on the inside is invaluable. In addition in both companies I worked with the HR person in charge of Talent Acquisition and discussed at length what we could do to better prepare our students for each of these environments. Both companies do hire from FIT, but both are anxious to work with me to intensify that effort, and we discussed many ways to make that happen. Many of the executives offered to come and speak to my students and to help me in the future as I work to incorporate my findings into the classroom.

I have requested a date from the FMM in Service Committee to present my experience to my colleagues.

I am grateful to the Teaching Institute for making this experience possible!