



Last Updated: 10:14 am | Wednesday, September 6, 2006

Macy's unveils a new beat

BY JOHN ECKBERG | ENQUIRER STAFF WRITER

Federated Department Stores will show off its advertising and marketing moves Thursday to the beat of an old Motown song, "Dancing in the Street," when it launches its first national campaign for its Macy's department store chain.

Cincinnati-based Federated, which also maintains headquarters in New York City, today announced its plans to unveil advertising touting the conversion of 400 stores formerly owned by May Department Store Co. to the Macy's brand on Saturday.

Federated didn't give a budget for the campaign, which will feature a re-recording of the song made famous by Martha Reeves and The Vandellas. But industry watchers say it will be the most expensive in the company's history.

Ads will begin airing Thursday on radio and broadcast and cable television networks, in newspapers, local and national magazines, billboards and online banner ads tied to the theme: "Way to Shop."

The company is also mailing a 54-page supplement to 3.8 million people in markets new to Macy's and offering Spanish language advertising to get the broadest possible reach.

"Our advertising will drive home the message that Macy's has the latest fashions, an exciting shopping experience and values that appeal to consumers who love to shop," said Anne MacDonald, president of Macy's corporate marketing branch and the company's chief marketing officer.

wooing fashionable men and women who want "affordable luxury" is the primary focus of the effort that backers hope will boost sales at 800 stores nationwide.

Names such as Marshall Field's, Filene's and Kaufmann's will succumb on Saturday to the single red star of the Macy's brand.

Macy's is also hoping the campaign will boost sales at its home division, which has long lagged revenues from shoes, handbags, cosmetics, fragrances and men's and women's sportswear.

The company centralized that division in 2004 but results have been lackluster.

The company purchased the former May Department Store Co. for \$17 billion in debt and cash in 2005 and promised that the nationwide Macy's brand would also bring nationwide advertising.

Federated has also begun marketing to a new generation of shoppers through reality TV shows such as Project Runway on the Bravo cable network.

"They have to try something," said Peter Sealey, author of "Simplicity Marketing" and adjunct professor of retailing at the University of California in Berkeley.

"Department stores are caught in the middle between Target and Nordstrom, category killers, low-end stores, specialty stores," he said. "How can department stores compete in this new world of targeted retailing?"

Federated spent \$1.2 billion on advertising in 2005, according to New York City-based TNS Media Intelligence, a firm that tracks ad spending.

E-mail jeckberg@enquirer.com