

# NAVY BLUE – *The Heart and Soul of the NEX*

**B**y all accounts, the Navy Exchange Service Command's (NEXCOM) Navy Blue holiday period in 2012 was smooth sailing, with sales increases exceeding expectations and patrons enjoying the great savings and family-oriented spirit that permeated the six-week period.

In late June, as NEXCOM intensified its preparations

for the holiday shopping period, NEXCOM Senior Vice President (SVP) and Chief Merchandising Officer (CMO) Tess Paquette discussed the plans and preparations that are already underway for this year's Navy Blue Holiday stretch.

## ON WHAT TO EXPECT FOR THE END-OF-YEAR HOLIDAYS AND ON GETTING THE WORD OUT FOR NAVY BLUE FRIDAY ...

This year should be another banner back third of the year, as we look to emphasize our Navy Blue spirit during the months of October 2013 through January 2014, which we will officially launch during our Navy Blue Birthday event, on Oct. 13.

We are planning another terrific Navy Blue weekend during the traditional post-Thanksgiving holiday shopping season, which will incorporate a special online event for our Sailors afloat, leveraging our enterprise relationship between ships stores and the NEX.

## ON FACTORS INFLUENCING NEXCOM SALES AND THE OUTLOOK FOR THANKSGIVING AND CHRISTMAS FOR NEXCOM STORES ...

Last year's alignment of SECNAV's 21st Century Sailor and Marine initiative that implemented tobacco parity into our pricing strategy along with ongoing

decline in tobacco usage has reduced footsteps in our main stores. This, along with the continuing deflation and decline of sales in consumer technology, has negatively impacted our sales to date.

We just finalized our back third plans, and the team is feeling good about the future.

## ON CHANGES IN THE WIND FOR THIS YEAR'S EVENT ...

Last year, we underwent a "sea change" in our approach to the back third holiday selling season. Many of the tactics were new to the organization and our vendor community. This year, we will be going BIGGER with Navy Blue and we are so excited about it. We will be communicating a similar message to our customers, and will be explaining the events along the way. It will be a more integrated approach in how we market and what we say.

We really need our suppliers to meet their fill rates on all orders we give them. Please don't short-change us on what we ordered ... especially if you are a part of our replenishment program.

## ON BUYERS AND SUPPLIERS WORKING TOGETHER TO ENSURE SUFFICIENT INVENTORY ON HAND ...

For inventory forecast and flow, I encourage our vendor community to collaborate with our planning



Tess Paquette



NEXCOM PHOTOS

NEX shoppers get in the Navy Blue 'spirit' of shopping during the Navy Blue Friday sales event at NB Guam (Orote Point), JR Marianas.

teams. They are a critical piece to the value chain and our shopper journey.

## GRATITUDE AND INSPIRATION ...

I just want to extend a heartfelt thanks to the many people who have been part of the ideation and execution of NEXCOM's Navy Blue strategies. I was recently reminded that through the greatness of a professional team, we can always overcome. It was one individual, Capt. Jeff Voltz, CEC, USN, our former deputy commander, Facilities, who, during a conversation at one of our weekly executive committee sessions, casually responded 'Navy Blue' — and the lights turned on. Navy Blue is everlasting ... it is the heart and soul of the NEX.

—E and C NEWS



Building on last year's strong sales, NEXCOM is planning an even more integrated approach in how it markets and what it communicates to shoppers, such as these at the Little Creek Exchange, JEB Little Creek-Fort Story, Va.

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—NEXCOM Senior Vice President and Chief Merchandising Officer Tess Paquette