

SEPHORA CRM EMEA

Building
« the best in class customer experience »



CUSTOMER
EXPERIENCE
PLATFORM

PARIGI

BARCELONA

MILANO

VARSAVIA

SAO PAULO

SHANGHAI

PECHINO

A GLOBAL RETAILER

32 Countries - 2106 STORES & CORNERS *

938 EUROPE (including Russia)

891 NORTH AMERICA

174 CHINA - 36 SE ASIA

25 SOUTH AMERICA

41 MIDDLE EAST

1 AUSTRALIA

* Number of Stores at the end of July 2015

THE RETAIL CONCEPT

Stores



STRONG CODES - BLACK AND WHITE STRIPES

A DIFFERENTIATING OFFER

Prestige Brands

INTERNATIONALLY RENOWNED BRANDS (SELECTIVE DISTRIBUTION CONTRACTS)
PRESENTED AS SNEAK PREVIEWS, AND LIMITED EDITIONS IN AN OUTSTANDING MANNER AT SEPHORA POS



THE CORE OF THE ASSORTMENT IN OUR 3 MARKET CATEGORIES (FRAGRANCE – SKINCARE – MAKE UP)

A DIFFERENTIATING OFFER

Sephora Brand

SEPHORA OFFERS A WIDE RANGE OF PRODUCTS:

BATH - MAKE UP - SKINCARE - ACCESSORIES - CHRISTMAS COLLECTIONS



A DIFFERENTIATING OFFER

Exclusive Brands

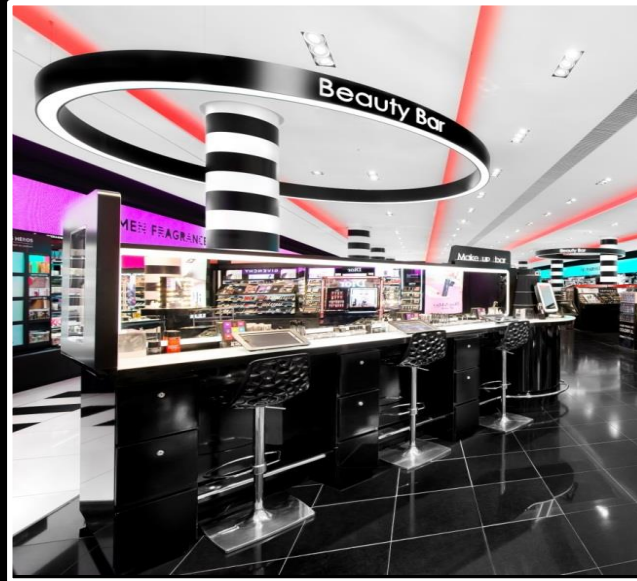


SEPHORA

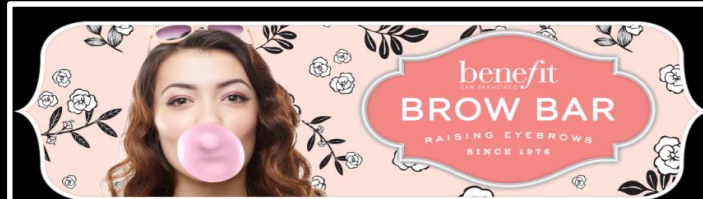
A DIFFERENTIATING OFFER

Our Beauty Services

SEPHORA



BRANDED



MAKE UP
SCHOOL
BY MAKE UP FOR EVER

O·P·I

SEPHORA BUSINESS MODEL : KEY SUCCESS FACTORS

↑ Success

Strong & Differentiating Store Concept



Operational improvements



Shopping experience, staff training



Differentiating Communication



Geographical & virtual expansion



Innovating product offer & exclusive brands



Efficient CRM with performing tools

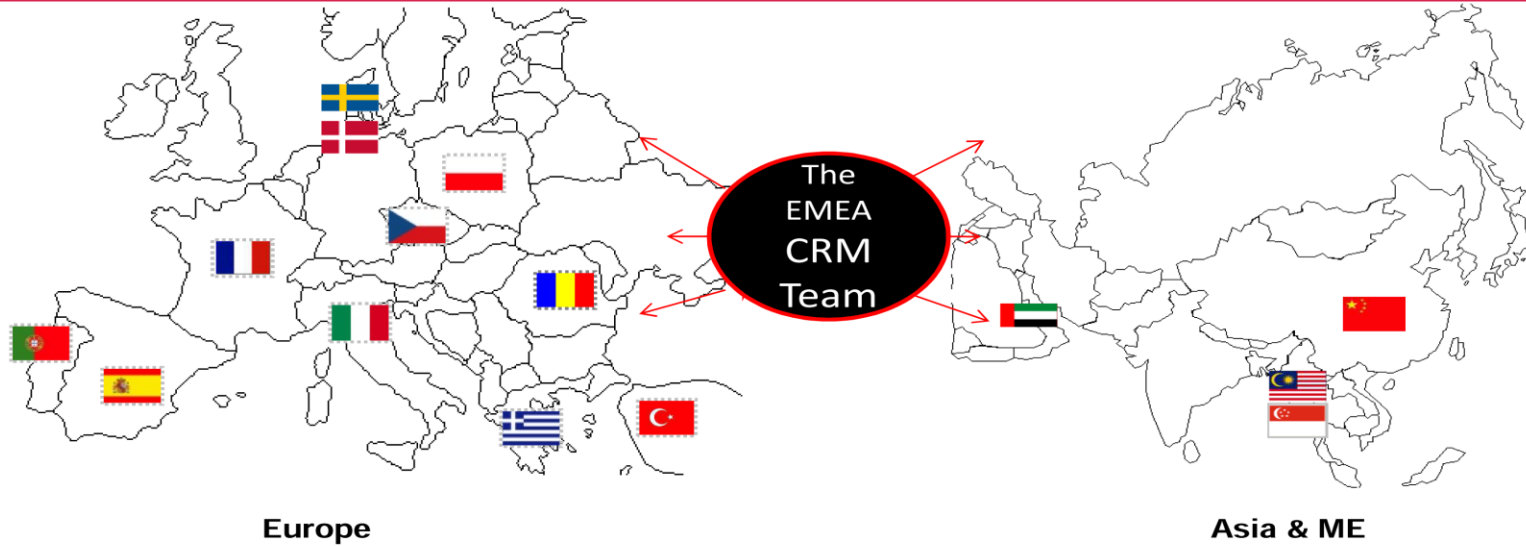


Omni-channel Store-On line-Mobile



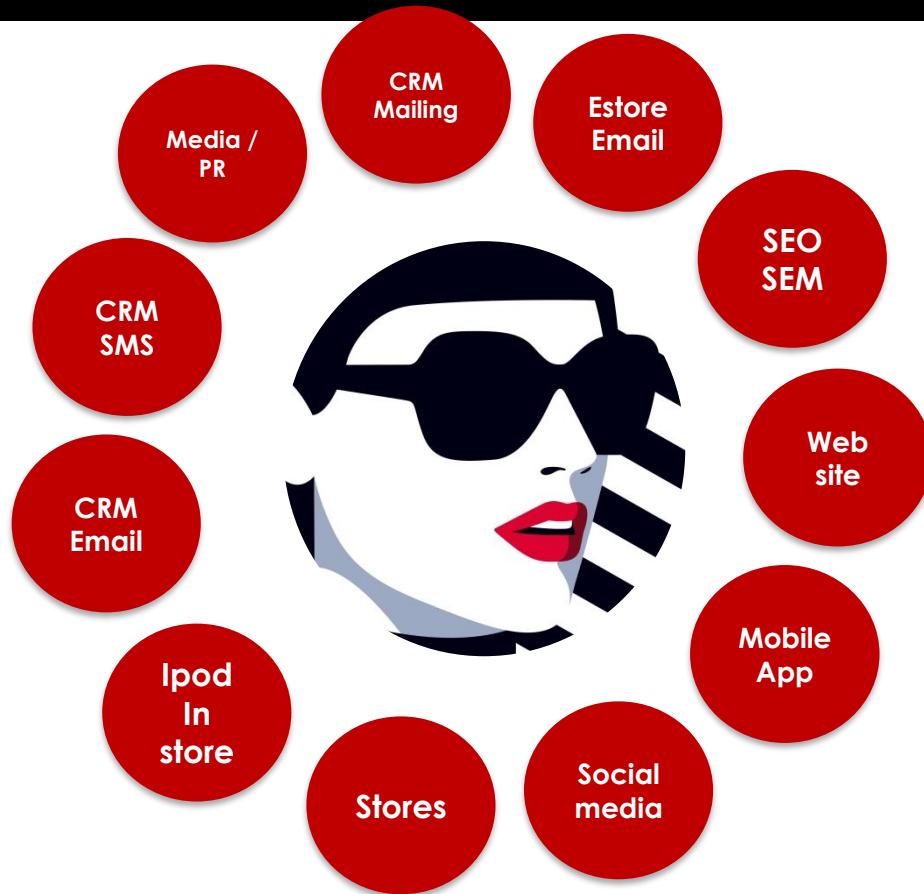
Time →

CRM EMEA ORGANIZATION



- Centralized DB in France for EMEA Region
- Pan-European suppliers
- Campaign planning and management at local level
- Local and Central Campaign Monitoring
- Reporting and Analysis prepared by the central team with intl benchmarks

TOUCHPOINTS



CLIENT MARKETING

Client marketing gathers all marketing actions aiming at **building long-term relation** with the customer in order to achieve **satisfaction and loyalty**.

Our goal is not (only) to **sell products or services** but also to **build customer loyalty and maximize its value**.

WHAT EXACTLY IS IT ABOUT?

A life-cycle approach of the customer

- From prospect to client
- From small to heavy buyer
- From consumer to ambassador of the Brand.

3 missions

- Identify our clients and understand their purchase behavior
- Personalize the relation
- Increase their loyalty

SEGMENTATION

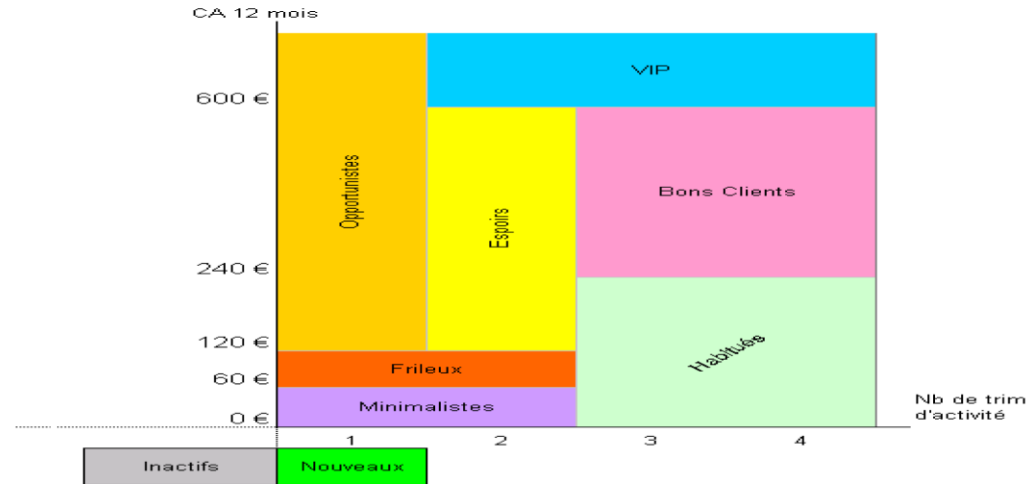


- Control Group to measure the performance and effectiveness

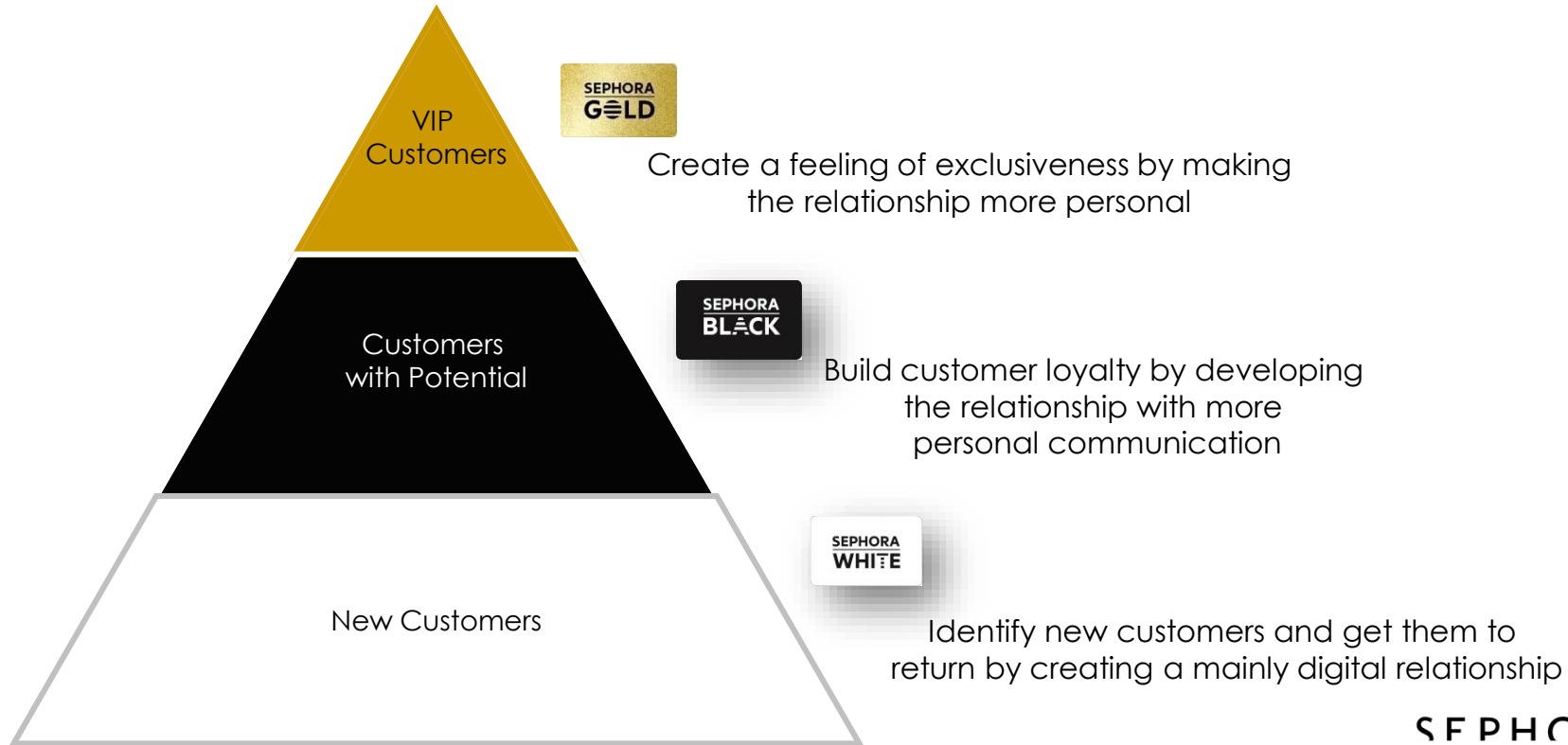


Different ways to contact customers:

- Brand addiction
- Age
- Gender
- Inactivity scoring
- Store reattachment
- RFM (Recency, Frequency, Monetization) segmentation
- ...



GOALS PER LEVEL OF CARD



HOW DOES THE PROGRAMME WORK

Welcome offer (points x 2 or nail polish offered)

1 € = 1 point

Special offers all year long

Welcome Pack 150 points (Black tier upgrade)

10% voucher every 150 points

Birthday gift

Privates sales

Brand communication

Free make up service once a month

Free hotline

Exclusive gifts for Mothers' Day and Xmas

Dedicated newsletter

Free delivery in e-store

Sneak previews

Late Night Shopping invitations

SEPHORA
WHITE

SEPHORA
BLACK

SEPHORA
GOLD

BASICS

TRANSACTIONAL

RELATIONAL

THE PERSONALISATION OF THE PROGRAMME

M₃ SEPHORA

REMINDER OF THE OVERALL GOALS



CLIENT GOAL

Reinforce brand attachment & client loyalty by offering a personalised relationship.

BUSINESS GOAL

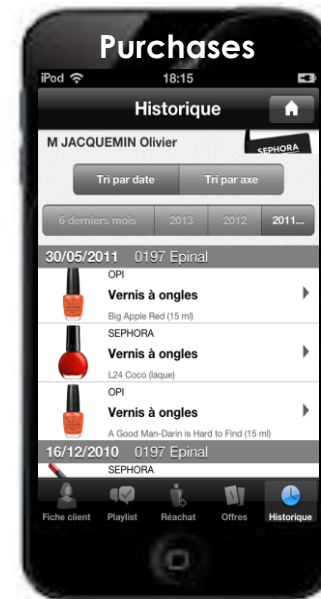
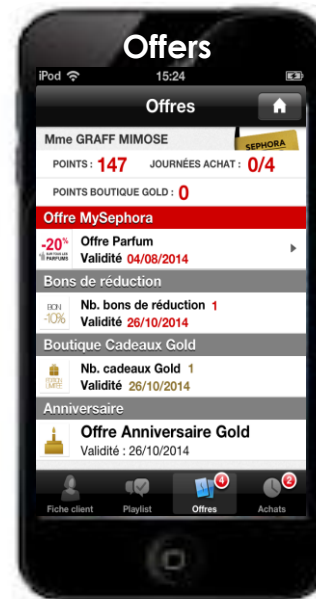
Boost the efficiency of our direct contacts with our clients thanks to more adapted messages.

IMAGE GOAL

Maintain our leader positioning & make it known!

A VERY HELPFUL TOOL INSTORE

For our Beauty Advisors to advise & guide clients in store.



...AND QUALITATIVE IMPACTS

CLIENT PERCEPTION

82% find the app **interesting**

95% think it is **useful**

72% **like** the idea of having **personalised recommendations**

IMPACT IMAGE

84% assess My Sephora as **modern** and **innovative**

74% think that the app is **differentiating from competition**

62% consider the app brings Sephora **closer to its clients**

64% should **recommend** the app

« It's fun, surprising, it's a new technology to sell, it's very good »



TO PUSH CLIENT EXPERIENCE

EVEN FURTHER...

IMPROVE OMNI-CHANNEL CLIENT EXPERIENCE



LOVE METER



Strengthen the loyalty of our "ambassador" customers



Understand the causes of dissatisfaction and re-engage contact with "detractors"

IMPROVE THE CLIENT EXPERIENCE

IMPROVE OMNI-CHANNEL CLIENT EXPERIENCE

1. Customer interaction with SEPHORA

Multi-channel: store, estore, call center

D+2



2. Customers receive an email to share their SEPHORA experience via an online questionnaire



4bis. Ambassadors and detractors are immediately detected and contacted by the store manager or Customer Service.



4. Customer feedback and follow-up is used to:

- Coach the team
- Understand the roots of (dis)satisfaction



3. The customer feedback is hosted in the database and integrated in real time in the statistic tool



	FRANCE	USA	UK	GERMANY	ITALY	SPAIN	NET
Point Client	0	0%	0%	0%	0%	0%	0%
Sat Client	0	0%	0%	0%	0%	0%	0%
Client	0	0%	0%	0%	0%	0%	0%
Point Client	0	0%	0%	0%	0%	0%	0%
Channel System	0	0%	0%	0%	0%	0%	0%
Intégration	0	0%	0%	0%	0%	0%	0%
Site	0	0%	0%	0%	0%	0%	0%
FRANCE	0	0%	0%	0%	0%	0%	0%



CUSTOMER EXPERIENCE STRATEGY

- Investing in the **best customers** according to their value to get the best result
- Attention to the **cost of each channel** and the response rate
- Improve **User Identity** to customize messages and offers
- Build a complete plan with reminders and **real-time** reactions
- Offers have to be more interesting (vs open offers). **Mix deals** with % gift service
- **Prevent Inactivity** devoting specific campaigns