

# How Global Beauty Brands Retain Their Customers



**TADA**

The beauty industry is one of the oldest in the world. With the large number of successful players in the market, just doing the same-old business model is not going to bring you far.

Today, businesses in the beauty industry are riding on the technological advancements to create products and services that are out of the norm.

Customers now are more picky with their choices as the market becomes more saturated. The only way businesses can stay afloat is if they ***continuously improve their products and services to meet their customers' needs.***

Did you know that retention programs are  
**PERFECT for beauty businesses?**

**Beauty Industry  
Gross Profit 2019**

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Today it's valued at  
an estimated

**\$532 billion**

and counting

**Beauty Industry  
Margin**

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The average beauty  
industry margin is

**80%**

*With such a highly lucrative industry, it is just wise  
that you put in **the extra effort to retain your  
acquired customers.***

# Benefits of retention programs in the beauty industry



## **Work: Worry-free**

Having consistent customers coming to your business allows you to be stress-free and have a consistent revenue stream every month, making it easy for you to plan ahead for your business.



## **Increased Spending**

Research shows that returning customers spend 67% more than new customers. This makes perfect sense as the more customers trust you, the more they are willing to spend and try new products from your brand.



## **Free Marketing**

Customers in the beauty industry are likely to be more picky with the products that they use and tend to trust word-of-mouth more than ads. With satisfied customers, rest assured that you will have new customers coming as they are most probably referred to you by your satisfied customers.



# The World's Best Retention Program Case Studies



**NMW Clinic Membership**



**Eva Mulia Membership**



**Surface Skin Club**



**My ERHA**



**Beauty Insider Rewards**



**Beauty Circle**



**Royal Rewards**



**Club Blue**



**The Color Club**



**Glow Miles Programs**



**VIP Rewards**



**Beauty Squad**



**Beauty Club**



**Purist Perks**



**Elite Rewards**



**Dr.B VIP**

**Let's dig deeper to find out what makes these retention programs work so well**



# NMW Clinic Membership



NMW Clinic Membership Card

## Key takeaways:

- NMW Skincare applied a white-label application solution to their loyalty program to make branding strong and simple, as these are ready-made and fully-integrated.
- The loyalty program's features also include multi-level membership and referral program that not only helps NMW gain more customers, but also more active purchasers.
- The points rewards program allows customers the freedom to choose how to earn and redeem their points either for a free product, treatment or discount.
- The multi-level loyalty programs are one of the most effective ways to motivate desired behaviours from customers, especially when the higher levels convey a sense of exclusivity.

**Basic  
Immune Booster**  
~~Rp 600.000~~  
**Rp 200.000**

**Get 10%**  
discount for  
beautician treatment

**Get 10%**  
discount for  
product purchase

Benefits for NMW Clinic Members



# **Eva Mulia Membership**



Eva Mulia Membership Card

## Key takeaways:

- Eva Mulia Clinic created a membership and rewards program where the customer has the freedom to choose how to earn and redeem their points either for a free product, treatment or discount.
- The use of referral program helps acquire new active customers

Get a  
**FREE PRODUCT**  
on your birthday

**Get 10%**  
Cashback points for  
every transaction

Refer your friends and get  
**20% Commission Points**

Benefits for Eva Mulia Members



**SURFACE**  
SKIN HABIT

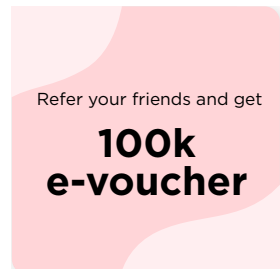
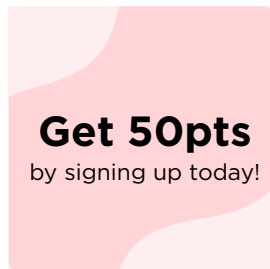
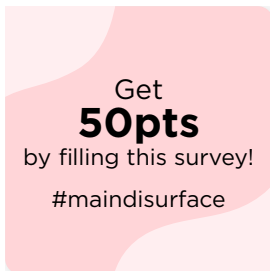
# Surface Skin Club



Surface Skin Club Card

## Key takeaways:

- The loyalty program's features include multi-level membership, points as reward, products and treatment discount as rewards, and referral program.
- Surface Skin Clinic's members receive free treatments as redemption items, which make membership a good deal to join.
- The multi-level membership program allows the members to enjoy special privilege tiers ranging from Glam, Glow and Bright member levels.
- Surface Skin Clinic runs on a points-based system that divides customers into levels depending on their spending. Higher ones get greater rewards and more points accrual for every Rupiah spent.



Benefits for Surface Skin Club Members

# ERHA

SKIN, HAIR  
AND LASER EXPERT

## My ERHA





My ERHA Card

## Key takeaways:

- The loyalty program's features include multi-level membership, points as reward, products and treatment discount as rewards, referral and ambassador program, and direct online shop link from the loyalty card.
- Incentivizing customers to refer their friends is a cost-effective way to drive more engagement and customer loyalty.

Get  
**10pts**  
for new members

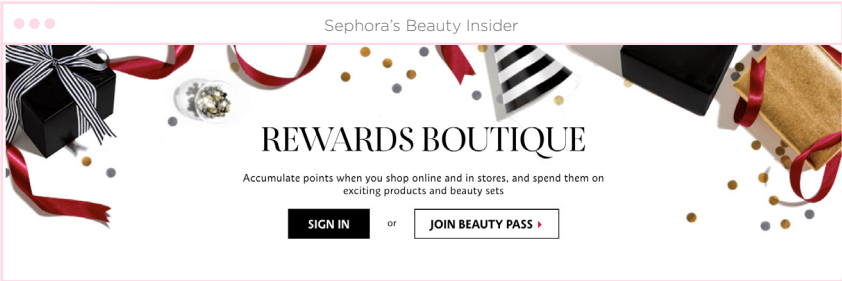
**Get Points**  
for every transaction

UP TO  
**500k**  
**BIRTHDAY**  
**E-VOUCHER**

Benefits for My ERHA Members



# **Sephora's Beauty Insider Rewards**



Key takeaways:

- Sephora offers rewards that build engagement between the customers and the brand which is a great way to provide extra value and build a strong brand community.
- Positive experiences are created by giving free trial products and exclusive events over time such as in-store makeovers or beauty meet-ups which is expected to attract customers to return to the brand and become a loyal customer.
- Strong beauty community helps the customer to share discussion and reviews that also creates more engagement between customer-customer and customer-brand.

Sephora's Beauty Insider Benefits				
	INSIDER	VIB	ROUGE	
Points per \$1 ▶	1 point	1.25 points	1.5 points	
Birthday gift ▶	3 choices	4 choices	4 choices	
Seasonal savings ▶	\$	\$ \$	\$ \$ \$	
Early access to products ▶			•	
Exclusive events ▶			•	
Rewards Bazaar ▶	•	•	•	

The Moroccanoil logo is centered within a white square, which is itself enclosed in a thin, dark pink rectangular border. The logo consists of the word "MOROCCANOIL" in a sans-serif font, with the "M" in orange and the remaining letters in teal. A registered trademark symbol (®) is located at the end of the word.

MOROCCANOIL®

# Moroccanoil's Beauty Circle



Key takeaways:

- Providing value to the customer through rewarding points for each tier that can be redeemed to exclusive products depending on their annual spending.
- The referral program is used by Moroccanoil as the main strategy to gain engagement and spread brand awareness. They also reward advocates with points and privilege discounts as this way will attract customers to be even more motivated.
- A great and informative website experience including a ‘Hair Quiz’ feature helps customers choose products.

Moroccanoil's Beauty Circle Benefits				
	 ARGAN INSIDER FREE to join	 BEAUTY ENTHUSIAST 150+ points	 ICONIC GOLD 400+ points	
FREE SHIPPING				
BIRTHDAY POINTS				
REWARDS BOUTIQUE				
EXCLUSIVE GIFTS WITH PURCHASE				
INVITES TO VIP EVENTS				

ESTHER & CO.  
est . 2004

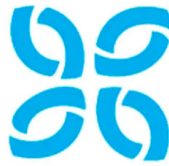
# **Esther & Co's Royal Rewards**



Key takeaways:

- Esther and Co believe that running a multi-level membership program will create a goal-oriented environment for their customers to accomplish.
- New members are rewarded 500 points for joining. This part of the strategy makes customers feel as though they are part of a special, exclusive community with great rewards.

Esther & Co's Royal Rewards				
REWARDS	MEMBER (\$0-\$249)	SILVER (\$250-\$749)	GOLD (\$750-\$1,499)	PLATINUM (\$1,500+)
Earn points per \$1 spent	1 point	2 points	4 points	6 points
\$10 Voucher When You Refer A Friend	👑	👑	👑	👑
Exclusive Royal Giveaways	👑	👑	👑	👑
Sale Pre-releases	👑	👑	👑	👑
Birthday Rewards	250 Points	15% OFF	20% OFF	25% OFF
Like or Share Us on Facebook	50	50	50	50
Tier Entry Reward		Free shipping	Free Shipping	\$20 OFF*
Anniversary Rewards		\$10 Gift Card	\$20 Gift Card	\$25 Gift Card
Invitations to Esther & Co. Events			👑	👑
Surprise Pressies				👑



**Australian  
Skin Clinics™**  
Injectables, Laser & Rejuvenation

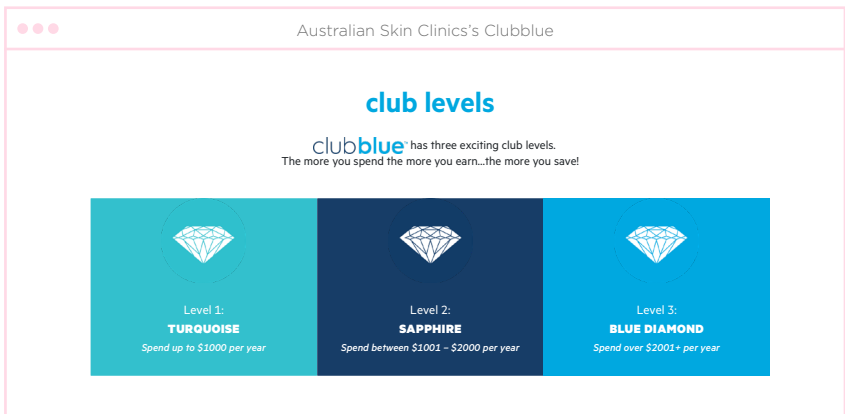
# **Australian Skin Clinics's Clubblue**





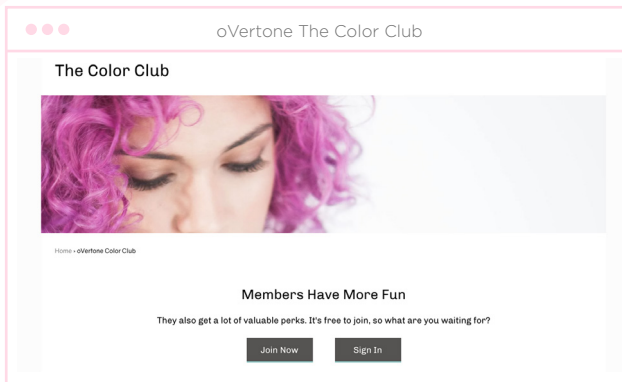
## Key takeaways:

- A great but simple website delivers the brand's value and message to customers quickly and easily.
- ClubBlue focuses on loyalty with a customer-centric perspective. The brand resonates as an organisation that truly cares about their customer by offering excellent customer service.
- Offering exclusive perks in the multi-level membership program will motivate customers to increase their annual spending.



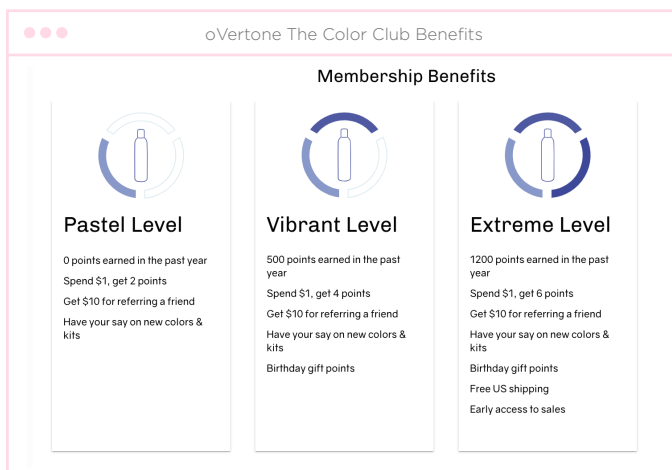


# **oVertone's The Color Club**



## Key takeaways:


- The Color Club rewards program uses a three-tiered VIP structure. It catches their customers' attention right away with unique tier names: Pastel, Vibrant, and Extreme. Not only do these names perfectly match the products they sell, but they also align with the words their target customers use to describe their hair. This makes it easier for them to build a real and lasting emotional connection with each customer and foster a strong sense of belonging as part of their program.



**GLOW RECIPE**

# **Glow Recipes' Glow Miles Programs**

Glow Recipes' Glow Miles Programs



# GLOW MILES

Glow Miles is our rewards program with one goal: making it faster and easier for you to achieve beautifully glowing skin! It's also our way of thanking you for taking your skincare journey with us.

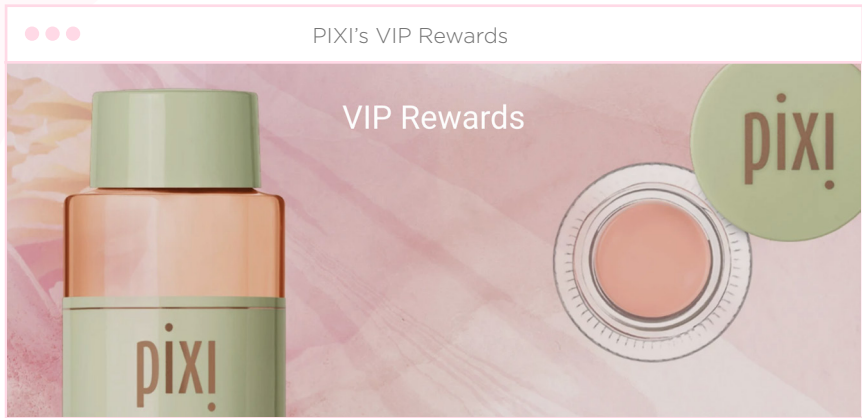
Key takeaways:

- Glow Recipe has designed their Glow Miles program as a cohesive extension of their brand, using consistent brand icons and colours to communicate the benefits of their three-tiered program. Whether customers are a Glow-Getter, Glow-Jetter, or Glow First member, they're treated to a consistent brand experience that helps extend the value of their products beyond the initial transaction. Glow Recipe also offers their loyal customers a number of diversified rewards, including the opportunity to preview exclusive new products or become a member of their product Tester Panel.

Glow Recipes' Glow Miles Programs Benefits			
	Glow Getter	Glow Jetter	Glow First
MILES PER \$	1 Mile	2 Miles	3 Miles
WELCOME MILES	●	●	●
REDEEM MILES FOR COUPONS*	●	●	●
BIRTHDAY MILES <small>Log in to your Glow Miles account &amp; click on 'Earn More'</small>	●	●	●
FULL SIZE PRODUCT <small>*redeem with purchase</small>	●	●	●
EARLY ACCESS TO SALES & PROMOTIONS			●

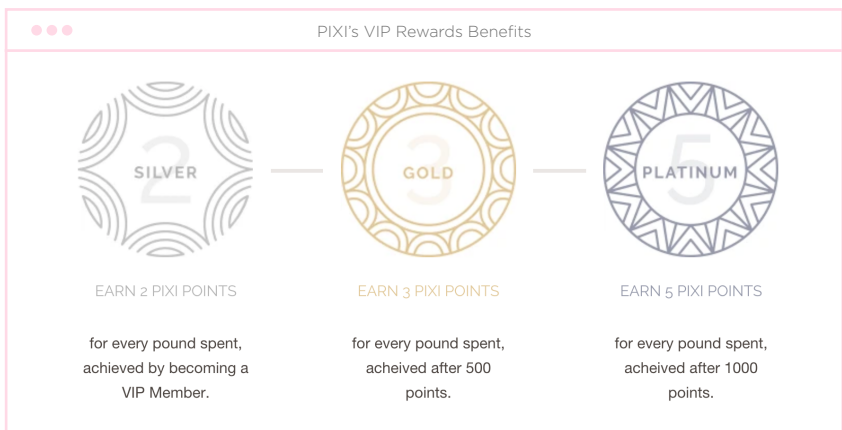


# **PIXI's VIP Rewards**



## Key takeaways:

- Pixi awards customers with points for a variety of actions, and as a result these engaged customers feel special and valued because of the rewards they receive. This goes a long way to making sure each customer shares their experience with others. For these reasons, it's obvious that Pixi's customers are truly treated as VIPs, making Pixi another outstanding beauty industry loyalty example.

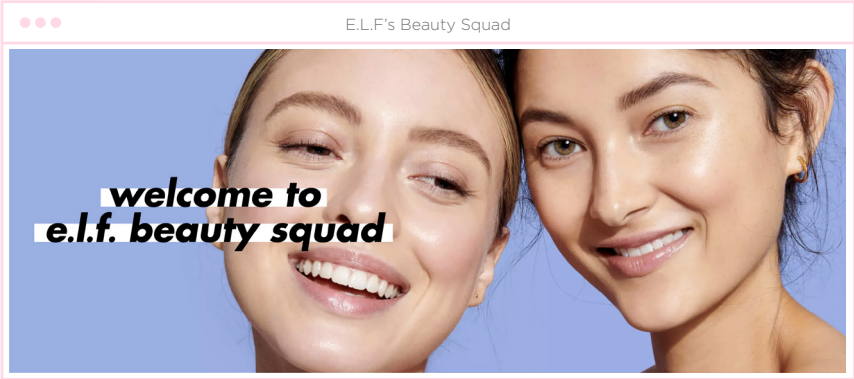


elf

eyes lips face

## **E.L.F's Beauty Squad**





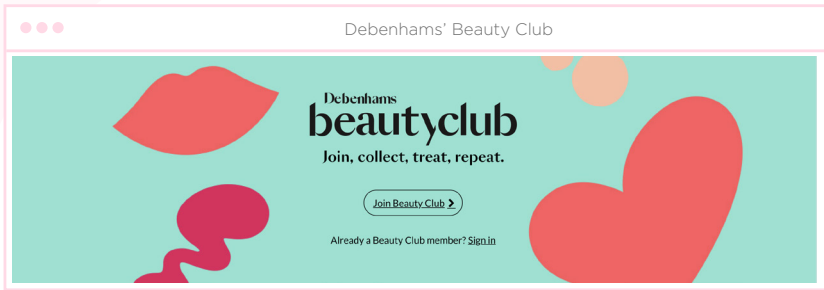
Key takeaways:

- With three distinct valuable VIP tiers, e.l.f.'s Beauty Squad is an excellent example of how to leverage status to appeal to customers with any type of budget. From Glow Getter to Rising Star to A-Lister, customers are given additional rewards when they return and continue engaging with the e.l.f. community.

E.L.F.'s Beauty Squad Benefits			
benefits	EXTRA 0+ POINTS	EPIC 101+ POINTS	ICON 401+ POINTS
ENROLLMENT OFFER	●	●	●
2 POINTS FOR EVERY \$1 SPENT	●	●	●
BIRTHDAY GIFT	●	●	●
REDEEMABLE POINTS FOR DOLLARS OFF	●	●	●
\$5 OFF \$20+ PURCHASE <small>epic bonus offer</small>		●	
DOUBLE POINT EVENTS		●	●

The word "Debenhams" is written in a bold, black, serif font. It is centered within a white square, which is itself enclosed by a thin, dark pink rectangular border. The background of the entire image is a light pink color with abstract, flowing shapes in various shades of pink and red.

**Debenhams'  
Beauty Club**



## Key takeaways:

### ■ Using points as a currency:

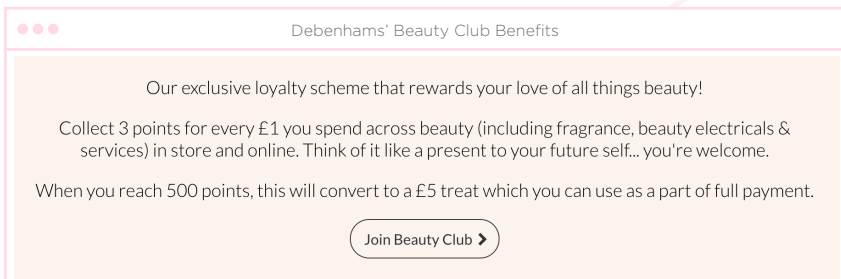
Customers can use their rewards as a payment option when checking out. This kind of freedom ensures customers will get the rewards they choose.

### ■ Providing a personalised experience:

Debenhams partnered Benefit, to deliver a free brow wax on the customer's birthdays! Now everyone with eyebrows and a birthday can rejoice!

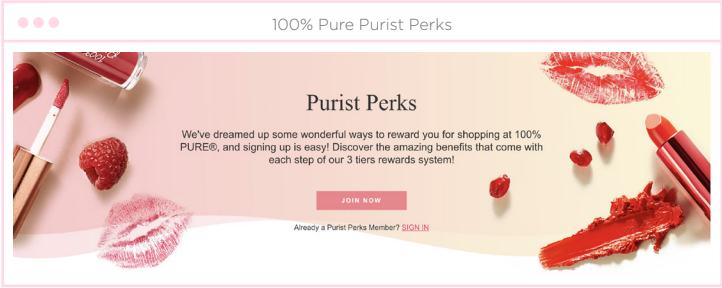
### ■ Free shipping for life:

Since we're always talking about the free shipping that Amazon gives its Prime members, I just have to say Debenhams is taking this up another notch, offering free shipping on online orders for life by simply entering a code sent in the monthly statement. Cha-ching!





## **100% Pure's Purist Perks**



Key takeaways:

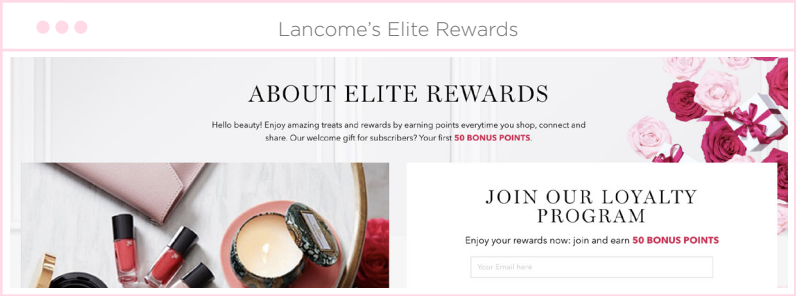
- An omnichannel loyalty experience is one that recognises an individual as the same person wherever they're shopping – be that in your brick-and-mortar store or on your site. By recognising customers in this way, you'll be showing that you care about them on an individual level. 100% Pure successfully married its in-person and online loyalty experience with the help of “multi-link”. They connect their loyalty program across 12 physical locations and their ecommerce store. All shopper purchases were recorded in the same place meaning that store assistants could find any shopper's account, no matter where it was created or where they purchased. As a result, 100% Pure could recognise their shoppers as the same person in store and online – showing that they valued each and everyone as an individual.

100% Pure Purist Perks Benefits			
PURIST PERK BENEFITS			
	Enthusiast	Activist	Revolutionist
Spend per calendar year	\$0	\$250	\$750
Points per \$1	1x	1x	1x
Redeemable voucher	\$	\$\$	\$\$\$
Seasonal savings	\$	\$\$	\$\$\$
Birthday gift	♦	♦	♦
Free standard shipping \$50+ (US only)	♦	♦	♦
Toll free priority customer service			

The Lancôme Paris logo is centered within a white square, which is itself enclosed in a thin pink rectangular border. The word "LANCÔME" is written in a large, black, serif font, with a circumflex accent over the 'O'. Below it, the word "PARIS" is written in a smaller, black, sans-serif font.

LANCÔME  
PARIS

# Lancôme's Elite Rewards



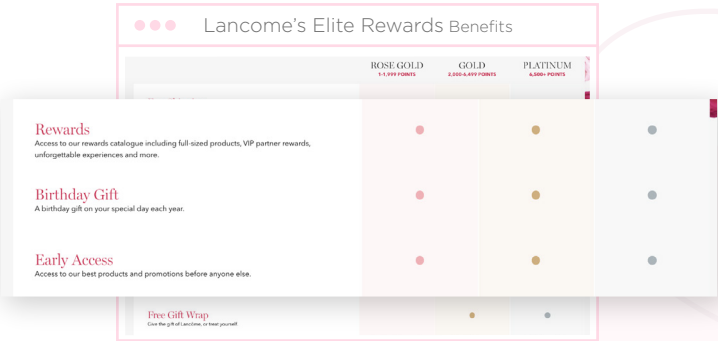
Key takeaways:

■ Rewarding all forms of interactions:

If you sign up for their rewards program you'll actually see they have a massive wall of activities to choose from to earn points, from watching their latest skincare video to writing a product review. I get particularly excited about this because engaging customers outside the buying cycle is the go-to way to make modern customers happy.

■ Exciting incentives:

In addition to the ways that Lancôme lets customers earn points, they have a massive – and I mean massive – selection of rewards to earn for and choose from. And the fun begins right after sign-up, too. So everyone can get their hands on fun rewards, like cool desktop backgrounds and Facebook cover photos.

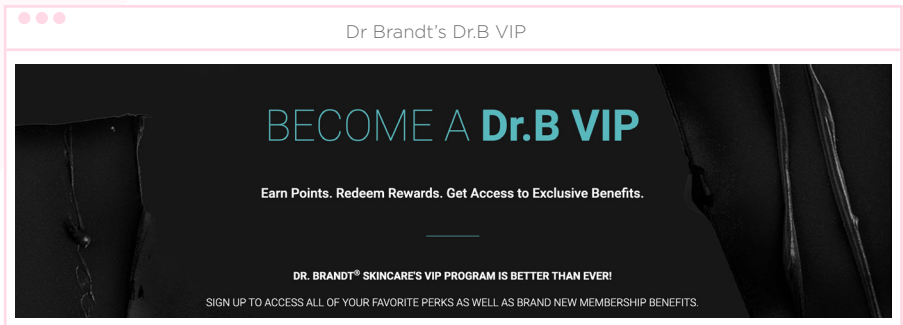




take the doctor home

# Dr Brandt's Dr.B VIP





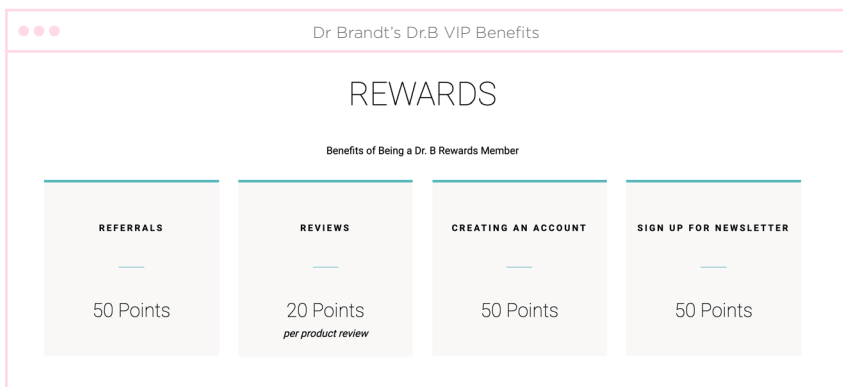
## Key takeaways:

### ■ Promotional days:

In an environment where companies are “making it rain” in product samples and encouraging shoppers to try new things, it’s particularly important for brands to experiment with point redemption. Dr. Brandt, for example, offers double points during promotional events.

### ■ No point expiration:

Keep the rules nice and simple. An expiration day might be a good motivation, but you need to constantly keep track of it, as well as communicate the deadlines to customers. If the collected currency is permanent, it’s convenient for everyone.



# So, which retention program is right for you?

There is no one retention program that is best for all kinds of businesses. In fact, retention programs are best used in tandem or as part of a stack. This allows you to cover certain program's shortcomings with other programs.

The program you decide on will be impacted by the retention strategy you select and the nature of your business. There is no one size fits all solution.

***That being said, we recommend starting with the following:***

- **Start to really focus on the experience you are providing**
- **Track your metrics and set retention campaigns**
  - Increase repeat purchase rates
  - Decrease time between purchases
  - Avoid lost customers
- **Use a rewards program to give customers a reason to stay**
- **Start a referral program with incentives for both the referrer and the referee**

This will give your business a strong retention marketing presence and turn your brand into a retention marketing leader!

# Get Started with TADA in 3 Simple Steps

## Request a demo

Reach out to schedule a personalized demo with our team.

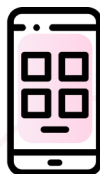


## Speak to us

We'll have a friendly chat and give you a product demo tailored to your needs. You're free to ask any questions and there's no string attached

## Launch your retention program

We'll design a tailored retention platform or app for your brand, according to your exact specifications.



# TADA

✉ [info@usetada.com](mailto:info@usetada.com)

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🌐 [usetada](https://www.linkedin.com/company/usetada)