

MOBILE

## Sephora exec: Beacons need more time to evolve

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*Sephora is testing beacons*

By CHANTAL TODE

RANCHO MIRAGE, CA A Sephora executive at the Mobile Shopping Summit 2015 Oct. 14 said that while beacons open up significant opportunities for personalized in-store experiences, more time is needed to figure out the best engagement strategy and for Android's play to develop.

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Sephora, owned by luxury conglomerate LVMH, has been testing beacons in around 15 to 20 stores and plans to roll them out to more stores, the executive said during the session, Sephora Success Story: Optimizing Mobile & Instore Digital Shopping. Initial takeaways include that there is still work to be done to figure out the right messaging strategy.

"We want to make shopping extremely personalized and beacons are magical," said Venkat Gopalan, senior director of architecture and development at [Sephora](#). "We are able to target them when in the store with welcome messaging, reminders about their mini-makeover session.

"There are still a few learning lessons that need to happen," he said.

"This is an evolving space that needs a little bit more time. As Android comes to the market, it will evolve."

### In-store shoppers

Sephora along with Walgreens and Macy's were among the first retailers to begin testing beacons in-store.

Sephora is exploring a number of types of messages triggered by a beacon when customers with the Sephora app on their phones walk into a store. Customers also need to have enabled beacon notifications on their phone.

If shoppers are spending time in a particular department, Sephora could send a message with an offer related to that department.

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Or, if shoppers are approaching a points threshold on the loyalty program, this could trigger a message suggesting how to earn a reward.

Beacon messages can also be used to remind shoppers of an upcoming mini-makeover appointment.

Walking fast

However, Mr. Gopalan pointed to several challenges revealed by initial results from beacons besides that shoppers need to have the app on their phone and to have Bluetooth BLE enabled.

"People walk fast," Mr. Gopalan said. "If they walk so fast from one department to another, it is pretty tough to message them.

"Most of them also carry their phones in their purse," he said.

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The executive also pointed to loyalty, wallets, social media and payments as among the other key areas of focus for the brand in mobile going forward. Sephora is a leader in mobile retail with an active push across a number of tactics.

A key focus for 2015 and beyond is to tie together all of the digital elements to provide an omnichannel experience for shoppers.

Sephora is planning to roll out its next-generation point-of-sale system that will have more of a focus on omnichannel and mobile payments.

"For the last couple of years, we have taken more of a mobile first approach," Mr. Gopalan said.

"When Apple Pay came out, we rolled it out on our app and in all of the stores," he said. "When Passbook, which is now Apple Wallet, launched, we were there.

"It is pretty interesting we have a loyalty card in that wallet. A key initiative as mobile payments picks up, we will be looking more at wallets."

Final Take

*Chantal Tode is senior editor on Mobile Commerce Daily, New York*

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