

RESEARCH

Sephora, Four Seasons, Dior and Chanel lead in luxury CX: Brandwatch

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Beauty retailer Sephora uses color-coded baskets to identify which customers would like help from staff on the floor. Image credit: Sephora and Brandwatch

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Sephora, Four Seasons Hotels and Resorts, Dior and Chanel were the four luxury marketers that made the cut as the top brands for customer experience, according to a new report from Brandwatch Consumer Research.

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Three of these luxury marketers made the top 5 for CX across luxury and mass brands: Sephora ranked No. 3, Four Seasons No.4 and Dior was No. 5. Chanel rounded out the luxury brands on the top 10 list, placing at No. 9. The analysis ranked the brands on positive mentions they are getting on social media: brands that ranked had a high percentage of positive mentions and garnered at least 100,000 positive mentions.

"The modern consumer doesn't reward passable experiences they want to be dazzled every time they interact with a brand," the report said. "When it comes down to it, we're all in the business of wooing our customers with a stellar experience, and in this report we're going to be delving into the data around that."

Brandwatch analyzed more than 200 million online social conversations about 600-plus brands from July through December 2019 for industry and brand sentiment analysis. Survey analysis was done using Brandwatch Qriously with 9,000 consumers surveyed in January across nine countries.

Hospitality, fashion and spirits top

Hotels (70 percent positive versus 30 percent negative), fashion (60 percent positive versus 40 percent negative) and alcohol (55 percent positive versus 45 percent negative) were the brands that generated the most positive mentions for customer experience.

Auto ranked at No. 5, retail at No.6 and consumer tech No. 7. Airlines dangled low on the list at No. 10 and energy companies were the brands that generated the least positive mentions, with only 26 percent positive mentions and 74 percent negative mentions online.

If customers do have a bad experience, they are more likely to go into a physical store or call on the phone to deal with the issue. That is unless they are 18-34-year-olds, who are less likely than those 35-plus to go into a store.

Interestingly, women are more likely than men to use email to reach out to companies if there is an issue.

Among the people surveyed who said they would use social media to address an issue, their expectations were for a response within a few minutes.

The beauty industry was the second most likely industry to receive unforgiving customer reactions, behind household goods.

More than half of those surveyed (51.3 percent) said they would be either unlikely or very unlikely to purchase from a brand if they experienced a problem with the company.

Cultivating community is core to delivering an excellent customer experience.

"Looking at our best brands for customer experience, those that get the most positivity tend to have built out a large community with deep ties to the brands," the report said.

Beauty points

Sephora stood out in the sector for having cultivated a loyal shopping base and delivering positive experiences to consumers looking to shop for cosmetics.

The LVMH-based company generated positive online mentions with loyal customers proudly sharing their purchases online and making their own tutorial videos with Sephora's products.

The beauty retailer also earned marks for tailoring the in-store shopping experience. Store visitors who want customer service representatives to help them can carry a red shopping basket and those that want to be left to themselves can select a black shopping basket.

The research found that the majority of conversations about the brand only were generated by women, with 76 percent of the online chatter coming from females.

The company did receive a small number of negative comments, but generally surrounding high price tags, which is typically not an issue among luxury shoppers.

Additionally, some men who did not understand what the retailer sold expressed frustrations online, but these comments did not seem to be from actual customers or the potential target audience.

"Overall, this beauty brand has done a commendable job of building a loyal fan base that genuinely loves their products," the Brandwatch report. "While price can be a pain point, we know that most people are willing to spend the money when the quality is right."

[Please click here to read the entire report from Brandwatch Consumer Research](#)