

FRAGRANCE AND PERSONAL CARE

L'Oral makes minority investment in social shopping platform Replika

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L'Oral continues to reinvent the digital beauty experience. Image credit: L'Oral

By LUXURY DAILY NEWS SERVICE

Beauty group L'Oral is further accelerating its ecommerce strategy with an investment in a social selling platform.

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The group's venture capital fund **BOLD Business Opportunities for L'Oral Development** has acquired a minority stake in New York-based **Replika Software**. Terms of the deal were not disclosed, but the agreement comes at a time when ecommerce technology is crucial for the growth of legacy beauty brands amid the ongoing coronavirus pandemic.

"Social commerce is an exciting new form of ecommerce that enables consumers, influencers, experts, beauty or shop assistants to sell brands and products on social platforms through formats such as live shopping or livestreaming," said Lubomira Rochet, chief digital officer of L'Oral, in a statement. "Today, ecommerce already represents 25 percent of L'Oral's revenues.

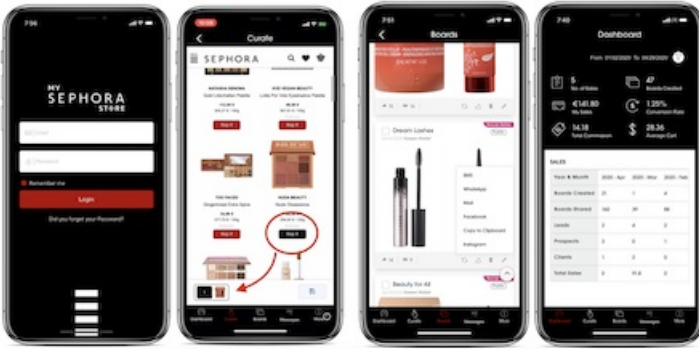
"The rise of social commerce is a great opportunity for our brands to reinvent the consumer beauty experience worldwide," Ms. Rochet said. "We are very excited to partner with Replika Software, a pioneer in the field, to create social commerce at scale.

"Our ambition is to crack this new channel and create a healthy and dynamic ecosystem of social sellers for the beauty category".

Beauty tech

Replika was founded by Kareen Mallet, former fashion director at Neiman Marcus Group, in 2016. The software was inspired by Ms. Mallet's observation that consumers were visiting stores less and they were getting their inspiration from social media.

Combining these two trends, Replika allows brands to leverage both store associates and consumers as peer-to-peer influencers, or "social sellers." It has already been used at L'Oral salons, where stylists can use Replika to suggest products to their clients. On the back end, the group can see data about transactions ([see story](#)).



Replika also works with beauty retailer Sephora. Image credit: Replika

"As an industry, we're just scratching the surface of how powerful social commerce can be when it's combined with the massive scale offered by the global online community," Ms. Mallet said in a statement. "Replika Software comes off an excellent year of growth and is powering new revenue generating social selling programs for brands of L'Oral and others around the world.

"We are thrilled to strengthen our partnership with L'Oral," she said. "Having their financial support and domain expertise will help us execute our vision even more rapidly and broadly".

L'Oral is a leader in the intersection of beauty and digital offerings. In 2018, the group acquired augmented reality makeup app ModiFace ([see story](#)).

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