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MULTICHANNEL

Lancôme boosts consumer loyalty through rewards point system

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Lancôme's Elite Rewards

By JEN KING

Beauty marketer Lancôme introduced a multichannel loyalty program that encourages social engagement and purchases for rewards points.



The brand will likely see otherwise one-time purchasers return to cash in on accrued benefits. For established consumers, Elite Rewards will spur greater displays of brand advocacy.

"The program is designed to engage the consumer across all the touchpoints with the brand," said Alessio Rossi, vice president of interactive and e-business marketing at Lancôme, New York. "Elite Rewards lets customers accumulate points both in stores and online but also through social media connections, video watching, checking-in and many other ways.

"This will evolve in the direction of rewarding for actions that don't necessarily have a transactional nature," he said. "Our rewards catalogue already includes much coveted personalized experiences, digital assets and more is to come beyond redemption of full size goods. This is just day one.

"[Elite Rewards] is indeed gaining tremendous traction with a younger segment while remaining compelling to our core audience. The social engagement part together with a playful omni-channel experience makes it a preferred choice of many targets."

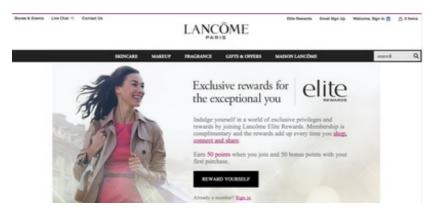
Earn your keep

Lancôme's Elite Rewards is a complimentary membership program that allots points according to purchases and brand engagement.

"This decision is a natural consequence of our luxury beauty brand nature and strategy," Mr. Rossi said. "We are in this market to provide a superior experience that inspires and empowers women to achieve our vision of French sophistication.

"Elite Rewards is designed to build a community of Lancôme enthusiasts who are given a chance to participate to the life of the brand and to be rewarded for their advocacy," he said. "It is an uniquely inclusive program with the added value of providing key insights on the consumer path to purchase hence more options to provide a personalized and compelling service."

Upon signing up for Elite Rewards the consumer receives 50 points. For the consumer's first purchase as a member of Elite Rewards, she receives 50 bonus points.



Lancôme's Elite Rewards Web site

After the first purchase, members of Elite Rewards will receive 10 points for every dollar spent. Points will be rewarded for in-store and ecommerce purchases wherever Lancôme is sold.

Lancôme also extends its points offerings into the digital space by allowing its consumer to earn rewards by connecting via the brand's social platforms. When a consumer connects with Lancôme on Facebook, Instagram, Twitter and Foursquare, by checking in while at a branded beauty counter, she will receive up to 50 points for interacting with the brand.

Also, consumers have the chance to earn up to an additional 25 points by sharing Lancôme products on their personal Facebook, Twitter and Instagram accounts.

Rewards and privileges as unique as you





Get your most loved con your Lancôme Elite Rewards points for the fabulous beauty resolution and fine resources you love the most

Indulge in the moment
our points into one-of-a-kind experiences like a private beauty

Lancôme's Elite Rewards perks

When the consumer has amassed a sizable amount of Elite Rewards points she can redeem them for either products or experiences. Lancôme's Elite Rewards one-of-a-kind experiences include private beauty consultations, all-inclusive spa services and access to events such as New York Fashion Week.

Additional perks for Elite Rewards members include deluxe sample offers, free shipping on orders \$49 and above, the latest news on Lancôme collections and a birthday gift.

The inclusion of personalized and experiential benefits will drive interaction as consumers identify point aspirations on specific products or experiences that allow for exclusive experiences.

"Experiential benefits, personalized experience, and exclusive access are incredibly powerful as they allow best customers to experience what really sets a luxury brand apart," said Fred Thompson, a Tampa-based retail consulting practice lead at LoyaltyOne.

"When these are paired with rewards, performance of the luxury loyalty strategies are at a pinnacle - this is the Holy Grail of loyalty offerings," he said.

Lancôme Elite Rewards promotional video

To sign up, consumers must enter an email address, their first and last name, date of birth and postal code. For Lancôme this additional database information will be useful for compiling the age and location of its core consumers and those interested in the Elite Rewards program.

Saying thanks

Rewarding enthusiasts through exclusive offers and perks maintains retention and reciprocates loyalty. Many brands and retailers are improving their rewards systems.

For example, department store chain Neiman Marcus offered consumers the ability to preorder looks hot off the fall runway shows exclusively on its ecommerce site. A selection of approximately 70 items were available for purchase and were available for delivery in the summer (see story).

On the surface, a rewards system provided by a luxury brand may seem to dilute stature and exclusivity, but experts disagree.

"Lancôme's Elite Rewards program demonstrates that even luxury brands can better engage their customers through loyalty programs," LoyaltyOne's Mr. Thompson said. "It's a myth that luxury customers do not value rewards, and those luxury brands that engage their customers with premium products, exemplary customer service and well architected loyalty strategies will expand their market share in the increasingly competitive luxury marketplace.

"Other brands can learn that loyalty programs are highly valuable tools to build customer relationships, and they can expand upon Lancôme's initial offering by building in more recognition and exclusive access for their best members," he said. "A loyalty program which emphasizes product, access, and recognition as rewards can further support the key differentiators of luxury brands."

But, brand should be aware of slashing prices too steeply or offering too many add-ons with reward programs to avoid harming their reputation.

"When the programs overly emphasize discounts or other forms of pricing in ways that don't align to the brand, they become potentially damaging to luxury brands," Mr. Thompson said.

Final Take

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https://www.luxurydaily.com/neiman-marcus-hosts-preorder-event-to-reward-loyalists/

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