

Sephora's loyalty SVP shares tips on creating a best-in-class loyalty program

Article

With over 34 million members, Sephora's Beauty Insider loyalty program is generally regarded as **one of the best loyalty programs in the US**. To keep customers coming back, Sephora is

balancing gamified experiences with the classic rewards that it knows customers like.

Here are five tips from Emmy Brown Berlind, senior vice president and general manager of loyalty at Sephora, on how retailers can level up their loyalty programs and deliver a best-in-class experience.

1. Keep it relevant to your brand

Sampling was one of the first things that the Beauty Insider program offered when it first launched in 2007, and it has remained a key component of the program ever since.

“It’s really tied back to what customers are coming to Sephora for in the first place, which is an amazing product assortment,” said Berlind [during a recent Retail Brew webinar](#). “So sampling is a wonderful way for us to reward people’s loyalty.”

In addition to cultivating loyalty, sampling is a great way to introduce customers to new brands and products, a win for brands and customers alike.

“We see a lot of people who redeem [their] samples not having bought that brand before with us. It’s a great part of our loyalty program, but it’s also helping our brands build their future sales as well.”

2. Experiment with gamification

To increase customer engagement, Sephora launched Beauty Insider Challenges, gamified experiences made up of four tasks that users complete to earn points. Some require a purchase and some don’t, but all are designed to expose users to all of the different services and products that Sephora offers.

“We saw it as an opportunity to drive awareness of some things that we offer that maybe not everyone is aware that we have,” said Berlind, citing Sephora’s in-store Color iQ experience, which helps customers find the correct shade of foundation or concealer for their skin tone.

3. Listen to customers

While developing the Beauty Insider Challenges, Sephora focused on what customers actually wanted out of the experience.

“We did consumer research and we asked what they would find compelling, what the right number of challenge actions would be,” said Berlind. “It was a lot of testing and learning and listening to the voice of the customer.”

And so far, it’s working.

“We’ve seen a lot of positive Reddit threads, which is always great to see,” she said. “And we’ve seen a lot of participation in the challenges. We’re definitely a little ahead in terms of our expectations for participation.”

4. Have something for everyone

Sephora’s loyalty program has three tiers, which offer rewards and discounts corresponding to how much a shopper spends with the retailer, said Berlind.

“We know that the thing that’s most important to our clients is value and convenience, and how they experience value and convenience is through the loyalty program,” she said. “We try to make sure that each year has great opportunities to save and get value at Sephora, but then depending on how much you spend, you get a little bit of additional benefit provided to you.”

Interestingly, no matter the tier, one of the most popular benefits of the Beauty Insider program is the free birthday gift, which users can redeem during their birthday month.

“It’s consistently rated one of the most attractive parts of the program for people,” said Berlind. “We really try to make sure that we maintain that feeling of specialness. Because then that’s what drives stronger loyalty.”

5. Don’t overcomplicate the program

“How do we keep the program exciting? What do we want to launch a year from now that will keep us on the cutting edge?” said Berlind.

But Sephora doesn’t want to overwhelm customers either.

“We want to make sure we’re not adding things that make it too confusing,” she said, noting the balance lies in keeping the program fresh and interesting while also making sure it’s easy to understand (and use) by its members.

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