

Sephora Direct: Investing in Social Media, Video, and Mobile, Spanish Version



Sephora Direct: SWOT Analysis

Thecasesolutions.com



Current Marketplace

US Beauty & Personal Care Market
 • \$56.9B in 2009
 • Competition - Macy's, Nordstrom, MAC, ULTA, Amazon.com & Beauty.com

SEPHORA Thecasesolutions.com
 • 1,000 stores in 23 countries
 • 450 in US & Canada (26 states)
 • Sephora.com - top 50 retail websites - 3M unique monthly visitors - capturing roughly 30% of US online market
 • Promotions - samples rather than discounts

Distribution Channels

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 • Traditional Media
 • Website and Online Advertising
 • Social Media
 • Public Relations
 • Mobile Marketing

Recommendation Debate



Target Customer

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 • 30% of 24-34 year olds shopped in store at Sephora
 • 40% of online shoppers between 25-44 years old
 • High Relative Advantage
 Low change in behavior = high benefits = success
 Younger and Older women locked up to target market 2 market segments
 • Customers "Grew up with the company" and were "young, hipper" than department stores.
 • High accessibility to technology
 20% used search engine to shop for beauty products.
 • Prestige: 50% of online had \$20K+ income.
 60% of online shoppers spend over \$20/month on beauty

Introduction and Company Background

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Humble Beginnings

- 1969
- 1979

Expansion

- 1993
- 1997
- 1998
- 2006
- 2010

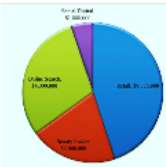
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Marketing Objectives

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Breakdown of Sephora's Marketing Expenses



Retail **Thecasesolutions.com**

Online Search

Beauty Insider

Social/Digital

Marketing Strategies

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- **Traditional Media (Retail)**
Print, Catalogs, Store Animations
- **Website and Online Advertising (Online)**
Sephora.com, SEO
- **Social Media (Online)**
Facebook, Twitter, Beauty Talk - highly successful
- **Public Relations**
Beauty Insider Loyalty- Email Marketing (Online)
Contests, Sweepstakes, Events
- **Video (Online)**
Youtube - User Generated Content (UGC)
- **Mobile Marketing (Online)**
iPhone and other platforms
high cost, high downloads



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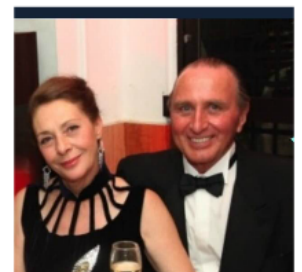
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sephora fleur de sephora collection



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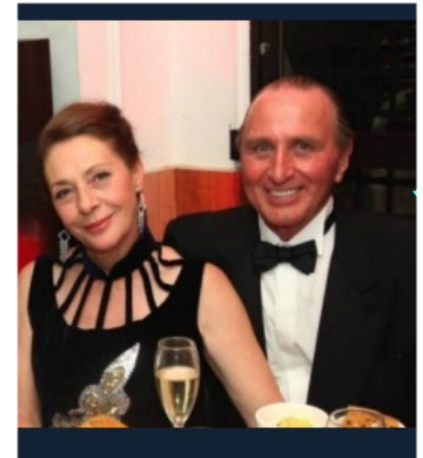
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Social Digital,
\$1,000,000

Retail

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- 40% of *online* shoppers between 25-44 years old.
- **High Relative Advantage**
low change in behavior + high benefits = success
Younger and Older women looked up to target market
3 market segments
- Customers "Grew up with the company"
and were "Young, hipper" than department stores.
- **High accessibility to technology.**
20% used search engine to shop for beauty products.
- **Prestige**, 50% of online had \$60K+ income.
60% of online shoppers spend over \$25/month on beauty

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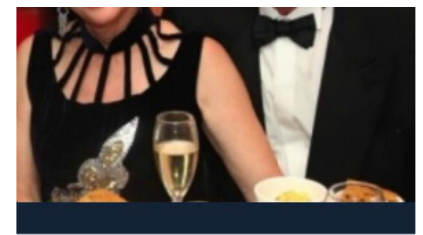
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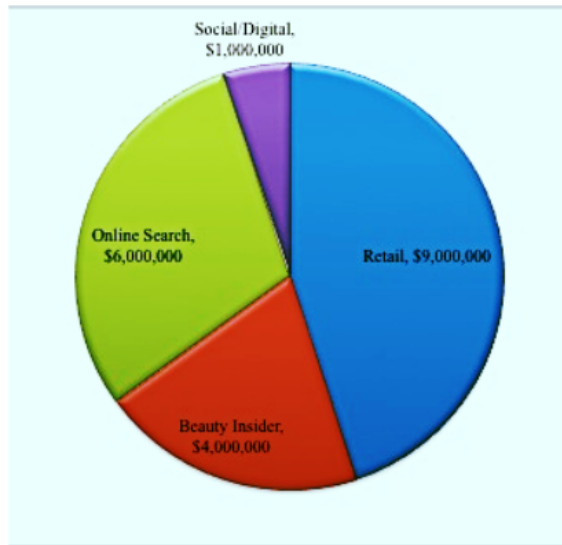
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