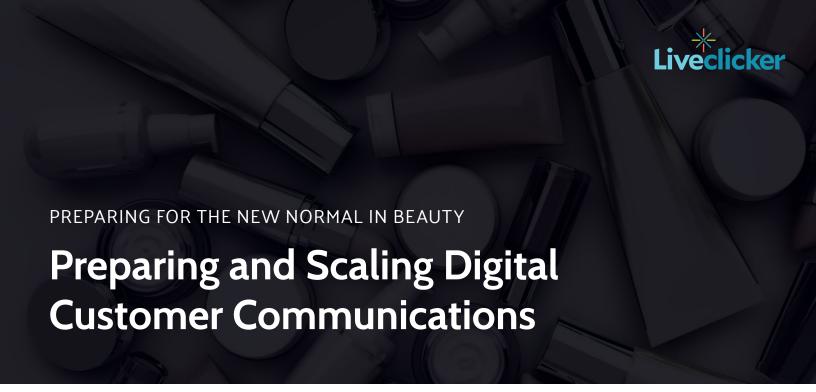
Preparing and Scaling Digital Customer Communications





With much of the country under orders to shelter in place, the coronavirus has caused social and economic disruption on a scale unlike any seen in our lifetimes. Among businesses, retailers have been hit particularly hard. While some designated essential businesses struggle to keep their employees and customers safe, most beauty brands now have many fewer opportunities to get their products and services in front of customers.

Of course, in today's omnichannel world, a physical storefront or display shelf, while important, has not been a beauty brand's only means of creating a connection with customers. With customers increasingly relying upon digital and mobile channels for both communications and purchases, many beauty brands are already using digital technology to connect with, support, and convert customers.

These brands are discovering that as customers continue to stay at home, digital communications can help keep brand loyalty and affinity strong. Research from the Relevancy Group and Liveclicker shows that retailers that employ advanced personalization earn \$20 ROI. While email, social media, and mobile apps may not bring in the revenue you need right away, a consistent and personalized digital communications strategy is vital to maintaining customer bonds and ensuring that customers think of you first when they're ready to spend.

This guide will help you make the most of those digital communications channels now, and prepare you to personalize them effectively, at scale, when both you and your customers are ready.





Beauty stays home

Like so many others, stores such as Sephora, Glossier, Ulta, The Body Shop and Sally Beauty locations are temporarily closed¹. In many cases, those closures have been accompanied by layoffs or furloughs, and ambitious expansion plans are on hold.

Despite this bleak-sounding landscape, some parts of the beauty industry are thriving. With salons temporarily closed, in-home beauty products are selling quite well and could continue to do so. While some shoppers miss their stylists and will be rushing back to in-person appointments as soon as they can, others may be happy with the low-cost looks they've achieved on their own, and may not be in a rush to spend more. Unable to bring models and photographers together for photo shoots, savvy beauty brands are turning to user-generated-content, both capitalizing on and paying tribute to their fans on Instagram and other social media.

Admittedly, no one knows what a new normal will look like. But even in a time of uncertainty, you can still start laying the foundation for a better future. Be prepared to adapt your hard-earned brand voice. Beauty products have long enjoyed a status as a fun, accessible indulgence, but even as commerce picks up, customers will be watching their money much more closely. Messaging that encourages a customer to 'treat yourself,' may come off as tone-deaf.

We've had the time to acclimate to the new normal, which means it is time to start thinking about the rest of the year, and what a more vibrant second half might look like.





Building trust and momentum

Beauty brands should start planning their communications using these general parameters:

Q₂

While many brands will want to move out inventory during this time, customers will still be worried about safety. Some customers will have taken massive financial hits, and many will be working out a new or greatly altered employment situation. In light of this new economic reality, offering promotions or discounts is fine and potentially welcome. Appearing opportunistic is not.

Your customers may be most interested in hearing about:

- How you are keeping your stores safe. You can share your cleaning schedule or even video of your stores being cleaned. You'll want to explain any new rules about how many people are allowed into your store, and your policies for monitoring any lines.
- Curbside pickup, delivery, and other low- or no-contact options.
- Expected delivery dates and any changes to your return policies. Customers may need extra assurance that returned items are safe for resale.

Q3

Historically, this has been a quiet quarter, as brands prepare for the all-important fourth quarter. This year, beauty brands, like other brands, may have an unusual amount of excess inventory to clear out. Unlike other years, however, you'll need to be careful to modulate the tone used to promote that inventory.

Instead, focus on:

- · Value, special offers, and low prices.
- Reassuring your customers that your service is top-notch. Focusing on service is one way to add a more human element to a digital communication that risks sounding too transactional at this time.
- Support and understanding for ongoing economic hardship.
- Reminding shoppers that they have the option to shop where they like: instore, online, in app, or by phone.
- Building relationships with your existing customers. Remind her it's time to restock on her favorite products, or show her new products from her favorite brands.







Q4

As in other years, we expect that Q4 will be game time. By strengthening customer relationships with appropriate messaging earlier in the year, both brands and customers will be ready to go when the holiday shopping season comes. That doesn't mean this holiday season will look like that of 2019, although we expect home beauty products to be big hits. But retailers shouldn't be surprised if customers are still reluctant to shop in brick-and-mortar stores. Brands need to be able to show how they're supporting social distancing should that be necessary.

- While online and mobile shopping has been growing steadily each year, digital channels will be even more dominant at year-end 2020.
- Customers will want the entire range of fulfillment options: traditional delivery, curbside pickup, and buy online, purchase in store.
- Show up-to-date shipping status on your shipping confirmation emails, each time it's opened, which can help with cost savings to customer service operating expenses. By the fourth quarter, customers will be expecting to be able to count on delivery in time for the holidays. Brands want to keep close tabs on any backlogs in fulfillment and make sure that their messaging sets the right expectations.
- Be ready to adapt should additional or safety measures, or renewed/enhanced social distancing, be required.
- Consider special holiday discounts for essential workers as a thank you for their efforts during stay-at-home orders.



Communicating with confidence

The best brands know their customers pretty well: from typical interests to income to living situation. Accept that in the past few months, much of that may have changed drastically. Your customer's top interest, for now, may simply be her health and that of her loved ones. She may be in one of the few professions suddenly slammed with work, or she may be suddenly unemployed. She may have chosen to guarantine with her parents, make a second home a full-time residence, or actually be yearning for a little more isolation as she tries to manage work and online learning for her kids. It goes without saying that healthcare professionals are in a class by themselves. Make sure to follow search and shopping data as the fourth guarter approaches.

The takeaway: Assume nothing. Simply show that you care, and that you understand that health and safety are still top priority.

These are considered new best practices:

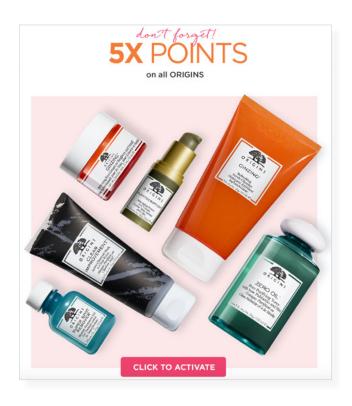
Show that you care about your employees.

After months of drastically reduced purchases, customers are going to be much more aware of how they spend their money. They understand that with each purchase, they can help make the world a better place by spending that dollar with a company that does business in a responsible way. Communications should emphasize the ways in which your employees are treated well, work in a safe environment, and have access to the benefits and support they need.











Show that you care about what really matters:

Many customers will be grieving the loss of people who are close to them. Others will be dealing with their own health problems. Record numbers will have sustained a job loss or are experiencing an unprecedented level of job insecurity. It's reasonable to expect a renewed focus on family and other loved ones and control of one's own time. More visible signs of success may be less attractive. If you're able to show how you're giving back, or supporting your community or the environment, now's the time to do it.

Plan for, and embrace, lasting change: Customers who once enjoyed dramatic makeup might decide to put that effort into skincare instead. Your urban hipster customers might find that actually, they really enjoy puzzles and making their own bread. Maybe your customers will become more or less socially or environmentally conscious. The new normal will reveal itself unevenly, in surprising ways. In the short term, "WFH comfort" messaging works well. Comb through your automated lifecycle emails to make sure the tone and mindset of working-from-home are fully conveyed. Frequent testing of your communications can help you discover which messages may be unexpectedly resonating –or not– with your customer base.

Remind customers of new options. Retailers and brands have scrambled to change the way they do business. But even after things return to a semblance of normal, customers might actually prefer the new ways you've been able to service them. It's reasonable to think some customers will still find curbside pickup to be a great convenience long into the future, for example. If you've invested in virtual try-on technology, or offer color matching via an app, make sure to promote it.



Preparing to scale with personalized email

We expect customers to move gingerly into a new normal – and faceless, impersonal brands will be less welcome than ever. Personalization is an important vehicle to help brands communicate authenticity and empathy. These personalization tactics that can help you save time, build scale, and maintain strong customer connections:

Leverage content that will update after you send. If a store unexpectedly opens or closes, or if a particular item comes in and out of stock, the email will have the most up-to-date information no matter when it is opened.

Use time-based targeting to smooth operations:

Time-based targeting can be a great way to manage your workload. By sending email that can automatically update depending on when it's opened, you can offer your customers delivery windows that best match your workflow. Or you can direct customers to contact your call center during lulls rather than during peak hours.

Use automatically-updating content to show the shipping status of orders at the moment of open.

With the proper technology in place, customers can see exactly where their package is even if the email isn't opened until long after it's sent. It's also easy to add real-time information about shipping delays or changes. Figure 1

Offer real-time product recommendations.

Supply chain disruptions and abrupt changes in consumer purchasing patterns can make it difficult to predict inventory levels, and therefore tricky to make recommendations with confidence. Adaptive product recommendations will change to reflect inventory data at the moment of open. Figure 2

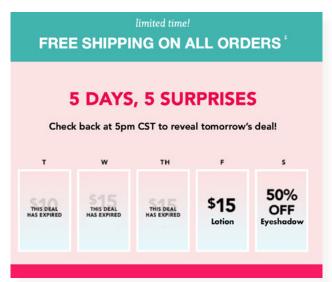


Figure 1

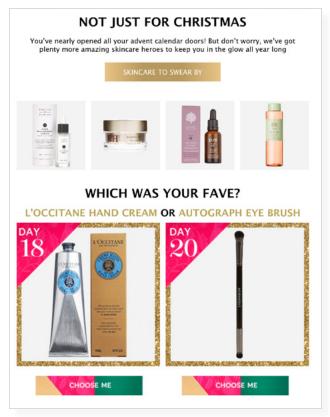


Figure 2





Figure 3

Incorporate video messaging. Video in email is a great way to make an impression with customers. You can use it to add a personal touch to important updates, but video is also a great way to offer tutorials in makeup, haircare, and wellness. Figure 3

Get the most from transactional emails.

Transactional emails have great engagement rates, so take advantage of that. Account welcome, order confirmation, and abandoned cart emails can all include personalized recommendations based on browsing history, live tracking data, and personalized coupons.

Leverage your social media messaging. Display the latest and greatest content on your social media channels, including Instagram, Facebook, LinkedIn, Pinterest, Spotify, Twitter, and YouTube.

There's no doubt that brands are in for some tricky times ahead, as supply chains are disrupted and rebuilt, customer preferences shift, and commerce picks up at different rates and in different modalities across the world. By making sure communications are personalized and ready to scale, and by continuing to test relentlessly, brands will have a much better ability to stick close to their customers as we all navigate these changes. And they'll be putting the foundation in place for increased customer engagement, loyalty, and conversion over the long-term.





The Liveclicker platform improves marketing results, reduces costs, and grants you the flexibility you need to act with confidence in a disruptive and tumultuous environment.

See how fast and approachable advanced personalization can be.

Request a Demo

