

LINNEY 

Why Omnichannel Retail is a Must for Beauty Brands in 2022



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Key points

- The COVID-19 pandemic has accelerated the digital transformation of the healthcare and beauty sectors. Just a few years ago, beauty and wellness shopping was firmly rooted in the in-store experience – now, AI and other tech developments are making ecommerce more attractive.
- The boundaries between online and offline are becoming ever more blurred, with customers increasingly moving between digital and in-store channels, and multiple devices. They can make their health and beauty purchases wherever they happen to be.
- Social commerce is the new frontier, enabling brands to meet customers wherever they are. But with the social media landscape constantly evolving, it's key that your brand has a clear strategy to avoid being spread too thinly.
- Both customer experience and brand values are crucial to today's consumers, making it vital that your beauty or healthcare brand can meet high expectations across the board in areas as varied as sustainability and flexible delivery options.

“Offering a compelling omnichannel experience used to be the bleeding edge of retail. Now it’s a requirement for survival.”

McKinsey: Omnichannel: The path to value | [McKinsey](#)



Retail and online: how omnichannel selling can boost your revenue

The days when beauty and healthcare brands were either digital or in-store are gone for good. But while the majority of businesses have both a physical and an online presence of some sort, not all can boast of offering an omnichannel experience.

What's the difference? A multichannel strategy means a brand has more than one platform, e.g. a website, a Facebook page, a high street shop and so on. But an omnichannel approach goes much further, integrating all those platforms into one seamless customer experience that's far greater than the sum of its parts.

So a customer might browse lipsticks on your website and try them on virtually using an app; then go into your bricks-and-mortar store to see the colours in real life, while simultaneously checking out reviews from real customers on your Facebook page. They could be aided along the way by AI chatbots and real-life sales assistants known as "omni-associates" or "editors". Shoppers might make the purchase with their smartphone or voice-activated smart device, but collect it from the store, or order it online from an in-store kiosk for home delivery.

 **76%**

Seventy-six percent of global customers expect consistent interactions across departments, but 53% say it generally feels like sales, service, and marketing don't share information.

Salesforce State of the Connected Customer 4th edition



74%

74% of global customers say they have used multiple channels to start and complete a transaction. 66% say they have used multiple devices.

Salesforce State of the Connected Customer 4th edition

The customer is barely aware that they're switching channels - and your brand can track each interaction as part of the same journey, and customise your response accordingly.

Why is this important? Because an omnichannel approach can drive sales, attract new audiences, boost the return on your investment, allow you to personalise your offer to each customer, and build relationships with fans of your brand. Highly prized goals for any business.



26.9%

Online sales accounted for 26.9% of all retail in the UK in November 2021.

Retail sales, Great Britain - Office for National Statistics (ons.gov.uk)



Morphing: how retail-based brands are expanding their reach online

The health and beauty sector is known for its eagerness to embrace the new.

Lockdown accelerated the digitisation process, with many brands rising to the challenge with great innovation, e.g. AI-powered virtual try-on apps for make-up, or Aveda's video how-to guides.

Online offers the benefits of greater convenience and a wider product range, including web exclusives. A brand's digital presence can incorporate reviews, guides, and online communities. It makes choosing and ordering products a breeze.

Technology also enables a high degree of personalisation – a huge win for the beauty and healthcare industry. Cosmetics giant Lancôme, for example, enables customers to build online profiles that combine their preferences plus Lancôme's expertise in skincare and other areas. This profile can be used online or in-store to get tailored recommendations that factor in customers' shopping behaviour, pricing and up-to-date inventory information as well.

Other exciting developments are just emerging. Proctor and Gamble has recently launched its BeautySPHERE, which uses augmented reality, virtual storytelling and gaming techniques to enable visitors to explore its portfolio of beauty and personal care products.



“The path to purchase has become fragmented and immersive. Brands must develop one-on-one relationships with consumers across platforms such as social media, messaging apps, and livestreaming to remain relevant.”

Angelica Munson Shiseido Connected Shoppers Report Reveals New Rules of Consumer Engagement | [Salesforce.com](https://www.salesforce.com)



“Use the strength of online for you – recruit new guests and connect the dots with your superb offline services and high-touch experiences. Your time is now.”

Barbara De Laere on Aveda's Vision for the Future | [Aveda Means Business](#)



350%

Ecommerce purchases of make-up and personal care products from new or low-frequency users rose by 350% during the pandemic, according to research from 19 countries including the UK. COVID-19 has sparked a new wave of innovation across consumer industries.

Accenture Research

So where does this leave traditional stores? They're still highly valuable – but they're changing.

Beauty and healthcare shops are moving more towards carrying carefully curated edits for customers to sample, including some in-store exclusives. Omni-associates - who are better trained than traditional sales assistants - can help customers navigate the options with friendly advice.

Displays and décor are more crucial than ever to attract shoppers, who increasingly want an Instagrammable shopping experience. Digital displays can incorporate online elements

into stores, further blurring the boundaries between the virtual and the bricks-and-mortar.

This points to the fact that shopping is becoming increasingly experiential. Revamped stores can host events, such as store takeovers for product launches. While customers attend in-person for exclusive offers and the buzz of a live experience, such events can be hybrid, incorporating online elements such as videos, augmented reality, gaming, or live Q&As.

The aim is not to replicate the offline experience in the virtual world or vice versa, but to find innovative synergies that expand reach, build loyalty, and boost return on investment.

Online-only to omnichannel: the Glossier story

From a blog to a \$1.8 billion business in just seven years – beauty brand Glossier is a modern-day success story. So how did it get there?

Glossier was launched by blogger Emily Weiss as a direct-to-consumer ecommerce brand in 2014 – a time when beauty shopping was still largely an in-store experience.

It emerged from the Into the Gloss blog and community, and owed its early success to Instagram influencers and word-of-mouth marketing (plus venture capital funding). That ‘no-marketing marketing’ strategy helped Glossier stand out in a sea of high-spec advertising, and won it the loyalty of jaded beauty fans.

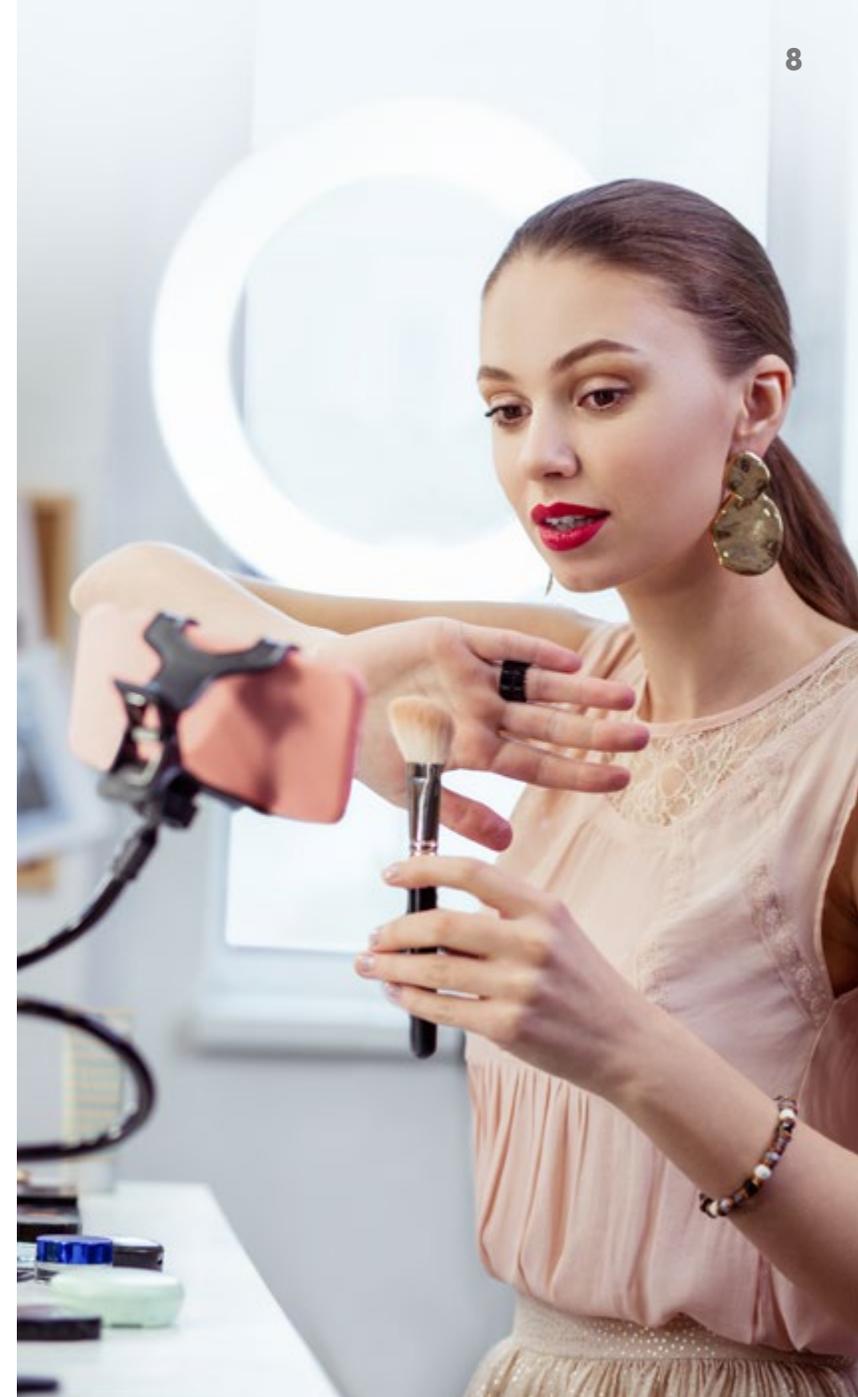
Famously, Glossier launched with just four products to its name. While it now boasts many more, the focus is still on skincare, plus barely-there make-up – a far cry from Kardashian-style contouring.

Originally, products were available only from Glossier’s own website. But all that’s changing.

In 2017-19, Glossier opened several pop-up shops in US cities and London, allowing the brand to test the market, expand its reach, and boost its online community. While the London store attracted 100,000 customers in just 10 weeks, COVID-19 put the brakes on this expansion into bricks-and-mortar.

But as the pandemic eases, the brand is heading back to the high street, with permanent flagships in Seattle, Los Angeles, and London opening in 2021. As Emily Weiss said: “The world of Glossier is ready to exist again in 3D.”

Glossier.



And these are no ordinary stores! They're experiences, meeting places, and destinations – and of course, they're highly instagrammable. Purchases are delivered by conveyor belt to a pick-up window, and there are in-store exclusives, such as passport covers. Staff – or “editors” – offer friendly advice.

“It's stores like this that really make you realise the power and importance of in-store beauty retail,” said Shannon Lawlor, of beauty blog [WhoWhatWear](#). “It has made me fall in love with shopping for beauty all over again.”

Crucially, the brand understands the synergy between its online and offline offers. As Emily Weiss says: “At a time when the appetite for online shopping, accelerated by the pandemic, has never been stronger, the promise of immersive, real-life experiences rooted in discovery and connection is paradoxically also more resonant than ever.”

“We imagine a future where digital and offline experiences exist in harmony, all in the service of helping people connect more deeply with themselves and others.”

Emily Weiss | Glossier



The future of online selling: social commerce

It's not just technology that's changing fast. It's also the relationship between brands and customers.

Social media enables businesses to connect with people directly and even build communities around their products. Those people are probably not even looking to make a purchase: they're communicating with friends. But they become aware of products through targeted ads or promoted by people they trust, and can buy directly from the platform.

It's still ecommerce, but industry experts regard it as a sea change. As Terry Nguyen writes in Vox: "With ecommerce, you need to head to a specific website to buy or complete a purchase, but with social commerce (the blending together of social media and ecommerce), the buying process is completed without ever leaving the social media app, putting us one step closer to a state of ambient shopping."



80 million

Between 2019 and 2020, the number of social commerce shoppers in the US grew by 25% to 80 million. It was forecast to grow another 13% in 2021.

Social Commerce 2021 - Insider Intelligence Trends, Forecasts & Statistics | [emarketer.com](https://www.emarketer.com)

Naturally, social media channels are developing this capacity. Pinterest recently added a range of tools, including its 'Shop' tab showing products inspired by a user's searches or boards. With 97% of top searches unbranded, Pinterest can level the playing field for smaller, challenger brands.

Facebook Live Shopping connects brands with customers in real time. The concept is simple: you livestream a video demonstrating your products and answering questions from viewers, while linking them to a 'product playlist' for purchases.

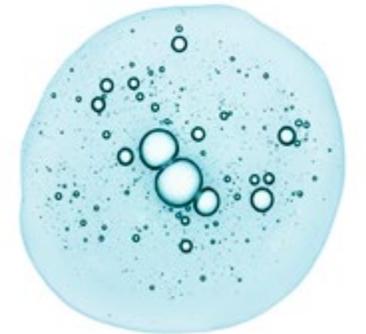
Instagram has long been a magnet for beauty fans. With 90% of users following at least one business on the platform, and two in three saying that it enables interaction with brands, it's a channel that no beauty business can ignore.



64%

Gen Zers turn to social media (64%) and influencers (41%) in greater numbers than other generations to discover brands and retailers.

Connected Shoppers Report Reveals New Rules of Consumer Engagement | [Salesforce.com](https://www.salesforce.com)



Instagram is, of course, the original home of the influencer. The influencer market was estimated to be worth more than \$10 billion in 2021 – but engagement rates look to be dropping, particularly with mega or celebrity influencers. Instead, many brands are turning to micro or even nano-influencers, who have the highest engagement rates.

In a further blurring of the online and offline worlds, brands such as Sephora in the US are promoting their store-based “omni-associates” as social sellers or nano-influencers.

With the plethora of options at your fingertips, it’s vital that your brand isn’t spread too thinly between channels. You need to use consumer data insights to understand your target demographic, and choose your channels accordingly.

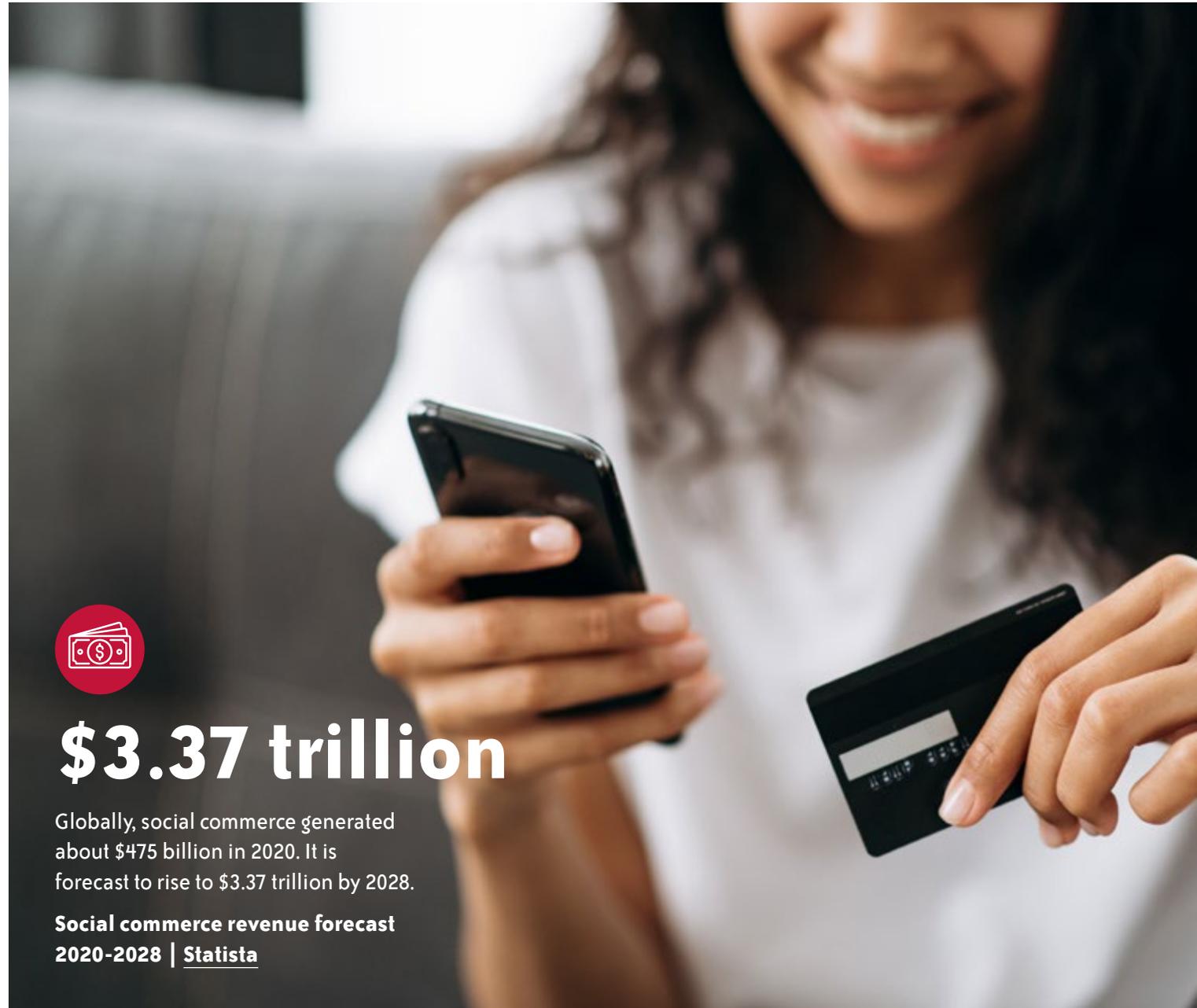
Above all, make sure your customers’ experience is frictionless as they switch between devices and channels – and in-store. That’s what omnichannel is all about.



\$3.37 trillion

Globally, social commerce generated about \$475 billion in 2020. It is forecast to rise to \$3.37 trillion by 2028.

**Social commerce revenue forecast
2020-2028 | Statista**



Resonating with your audience wherever they are

The rise of social commerce demonstrates that for your brand to thrive, you need to meet your customers where they are. And right now, audience expectations are high.

Your brand needs to be built on firm foundations, both in practical and ethical terms. It has to deliver what it promises – literally and figuratively. It's vital that you can provide a top-notch customer experience across all touchpoints.

Your brand values are key. Gone are the days when commerce was purely transactional; these days, customers care about what your business stands for.

Today, Ipsos research finds that 60% of British consumers say they tend to buy brands whose values align with their own: that's up nine percentage points in five years. Among a younger demographic, those figures are even higher: a separate report finds that 83% of Millennials want companies which align with their values.

Top of consumers' agenda is sustainability. Some 81% of British consumers surveyed by Ipsos believe we are headed for environmental disaster unless we change our habits – up 22 percentage points from 2013. Your business must have sustainability front of mind: think supply chain, packaging and delivery as well as messaging, or you'll stand accused of 'greenwashing'.



However, today's consumers also demand a high standard of customer experience – and will click or walk away if they don't get it. From the first interaction to your after-sales service, you need to put the customer at the heart of what you do: ensuring that everything works.

An excellent customer experience also means excellent logistics. Products must be despatched promptly and packaged attractively and securely (but sustainably). Those goods should be delivered to wherever is most convenient for the customer: e.g. the workplace, home, or local store.

In short, just as beauty and healthcare products are designed to make consumers feel good, so should the process of purchasing them. Can your brand meet these demands?

 **13%**

In the UK, sales of organic beauty and wellbeing products rose by 13% in 2020.

The Organic Beauty & Wellbeing Market Report | [Soil Association Certification](#)

 **61%**

61% of British consumers limited their use of single-use plastics in 2021 in a bid to lead a more sustainable lifestyle.

Sustainability & Consumer Behaviour 2021 | [Deloitte UK](#)

 **80%**

80% of global shoppers will abandon a brand after three bad experiences.

Connected Shoppers Report Reveals New Rules of Consumer Engagement | [Salesforce.com](#)



Linney: your omnichannel marketing partner

The rise of omnichannel has upended the retail landscape. Today's companies have to meet or exceed high customer expectations across multiple touchpoints.

Having an experienced partner to help and guide you through this ever-changing landscape is vital.

Linney is an omnichannel marketing agency that can grow with your business. We're excited by how brands can develop an omnichannel strategy to transform their connections with clients, joining the dots to create world-class customer journeys.

We have extensive experience of working with major beauty names on and off the high street, as well as challenger brands. Guided by insights gleaned from your customer data, behavioural science, market research and more, we will work with you to develop and deliver creative marketing encompassing digital, in-store display, events and much more.

Our ecommerce services help all shapes and sizes of B2B and B2C brands grow. Whether you want to expand your online presence or reach new markets, we've got over 50 years' experience in warehousing and logistics, including services such as 3PL, pick and pack product fulfilment and sampling, and management of returns. Our despatch and returns management software makes it simple to manage orders at every stage of the process.

Sustainability is at the heart of what we do. We are proud to offer sustainable solutions to customers, including carbon neutral print. Contact us today on letstalk@linney.com to start your omnichannel journey with us.

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